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CITY OF CHINO
2000-2005 HOUSING ELEMENT



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CITY OF CHINO

2000-2005 HOUSING ELEMENT

Adopted
September 18, 2001

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**CITY OF CHINO GENERAL PLAN
CHAPTER IV: HOUSING ELEMENT**

TABLE OF CONTENTS

Section	Page
1. INTRODUCTION	IV-1
A. Community Context	IV-1
B. Organization of the Element	IV-3
C. Data Sources and Methods	IV-3
D. Public Participation	IV-3
E. Relationship to General Plan	IV-4
2. HOUSING NEEDS ASSESSMENT	IV-5
A. Population Characteristics	IV-5
B. Household Characteristics	IV-10
C. Housing Stock Characteristics	IV-17
3. HOUSING CONSTRAINTS	IV-34
A. Market Constraints	IV-34
B. Governmental Constraints	IV-36
4. HOUSING RESOURCES	IV-45
A. Land Resources	IV-45
B. Financing Resources	IV-51
C. Energy Conservation	IV-55
5. EVALUATION OF ACCOMPLISHMENTS	IV-56
A. Summary of Accomplishments	IV-59
6. HOUSING PLAN	IV-61
A. Housing Conservation and Maintenance	IV-61
B. Affordable Housing Opportunities	IV-63
C. Provision of Adequate Sites	IV-66
D. Removal of Governmental Constraints	IV-69
E. Equal Housing Opportunity	IV-70

**CITY OF CHINO GENERAL PLAN
CHAPTER IV: HOUSING ELEMENT
TABLE OF CONTENTS
(Continued)**

LIST OF CHARTS

Chart	Page
1 Population Growth Trends	IV-6
2 Age Distributions - 1980 and 1990	IV-7
3 Race and Ethnicity	IV-8
4 Trends in Ethnic Distribution of Students	IV-8
5 Occupation of Residents - 1980 and 1990	IV-9
6 Household Characteristics	IV-10
7 Income Profile of Chino Households	IV-11
8 Household Income (1990)	IV-11
9 Overcrowding in Chino	IV-12
10 Overcrowding by Tenure	IV-12
11 Overpayment Rates	IV-13
12 Overpayment by Tenure	IV-13
13 Special Needs Groups	IV-14
14 Regional Housing Unit Growth	IV-17
15 Changes in Housing Stock	IV-18
16 Home-ownership Rate	IV-18
17 Vacancy Rates	IV-19
18 Housing Tenure by Size	IV-19
19 Housing Stock Age	IV-19
20 Housing Conditions Survey Results by Block Group	IV-21
21 Multifamily Residential Survey Results by Building Type	IV-22
22 Change in Prices of Existing Single Family Homes in Chino Valley	IV-26
23 Housing Prices in Chino	IV-27
24 Housing Affordability Analysis	IV-28
25 Assisted Multifamily Housing	IV-30
26 Rent Subsidies Required	IV-32
27 Disposition of Home Purchase and Improvement Loans	IV-35
28 Residential Development Standards	IV-39
29 Permitted Residential Uses	IV-40
30 Comparison of Residential Impact Fees	IV-42
31 Residential Development Potential	IV-47
32 Comparison of RHNA with Available Vacant Land	IV-50
33 Public and Private Resources Available	IV-52
34 Accomplishments under the Adopted Housing Element	IV-56
35 RHNA Accomplishments	IV-60
36 Housing Implementation Program Summary	IV-72

**CITY OF CHINO GENERAL PLAN
CHAPTER IV: HOUSING ELEMENT
TABLE OF CONTENTS
(Continued)**

LIST OF MAPS

Maps	Page
1 Housing Condition Survey Areas	IV-23
2 Block-by-Block Housing Survey Results	IV-24
3 Multifamily Residential Survey	IV-25
4 Site Inventory	IV-48

1. INTRODUCTION

A. Community Context

Chino comprises 18 square miles and is situated at the juncture of the 60 and 71 Freeways in western San Bernardino County. Chino has a long history dating back to a land grant from Spain. Originally the Chino area was used for cattle ranching during the early 1800's. Prior to its incorporation in 1910, Chino was subdivided into a grid pattern with homes on long, narrow lots.

For most of its history, Chino Valley was known as an agricultural community surrounded by dairies. With the opening of the 60 freeway in the early 1970's and the 71 Freeway in the mid 1990's, Chino has expanded from its agricultural roots into a well-planned, balanced community offering quality residential neighborhoods, retail centers and a diverse industrial community.

Because of the rapid growth in the Chino Valley, the City has adopted the motto, "Where Everything Grows." This motto will continue well into the future. With the annexation of the City's southernmost shere of influence and upcoming annexation studies for the remaining sphere of influence areas, Chino is expected to almost double its current area over the next decade.

Rapid growth has resulted in changes to its demography, employment and housing markets, and its geographic boundaries. Many of these changes affect the housing needs of residents as well as their ability to afford housing suited to their needs. Chino's population has increased over 50% from 1980 through the present. With this growth, Chino has seen a significant increase in the age group of 35 and over, as well as increased ethnic diversity. Despite this growing diversity, families make up the majority of households living in Chino.

Significant employment changes have also occurred over the past decade. Access via the 71 Freeway is spurring development of regional retail development such as the Spectrum Marketplace. There has also been increasing development of manufacturing and wholesale companies.

This has resulted in labor and production related jobs, sales and technical jobs, and managerial and professional positions.

Chino residents are better equipped for entering the emerging regional job market. The proportion of Chino's adult population with an associates or bachelors degree nearly doubled during the 1980's, from 11% in 1980 to 22% by 1990. Higher education coupled with new job opportunities have resulted in Chino residents maintaining the fifth highest median household income in San Bernardino County as of 1990.

Population and employment growth have spurred housing development. Chino's housing stock increased 78% between 1980 and 1999. Many of the changes were due to multifamily construction from 1980 through 1988. However, the focus of development has shifted to primarily single-family construction along the eastern border of Chino since 1990.

Like the entire southern California region, the Chino Valley is recovering from the real estate crash which caused home values to plummet nearly 20% between 1990 and 1995. Over the past several years, the median price of homes has recovered to \$170,000 – approximately the same price as in 1990. Rents range from \$518 for a studio to \$904 for a three-bedroom apartment.

Within this context of population, economic, and housing changes, Chino faces a number of challenges through the Year 2000.

1. Housing Issues

Housing affordability and overcrowding are important indicators of quality of life in Chino. If residents pay too much for housing they will have insufficient income for other basic necessities of life or may live in overcrowded conditions in order to save rent. Increasing overcrowding and overpayment are occurring in cities across the Chino Valley.

Between 1980 and 1990, the overall proportion of residents overpaying for housing increased from 29% to 37%. As of 1990, 32% of owners and 49% of renters were overpaying for housing. Overpayment is particularly pronounced for low income households, of whom 70% were overpaying as of 1990.

Overcrowding citywide doubled from 6% to 12% between 1980 and 1990. The household overcrowding rate in 1990 was only 7% among homeowners, but 22% among renters. Overcrowding was particularly severe among large households, with 38% of the large families in the City living in overcrowded conditions. Although income levels are gradually improving with the economy, the gains could be offset by rising housing costs.

2. Housing Adequacy

Maintaining housing adequacy is an important contributor to residential quality of life. The City's survey of residential lots in selected neighborhoods found that 58% of the lots are in sound condition, 17% require minor maintenance, 21% require moderate maintenance, 2% require substantial maintenance, and 2% are in dilapidated condition. The block-by-block survey by the City found that 22% are in sound condition and 78% need minor maintenance.

A focused building-by-building survey covering multifamily units was also conducted. Among those 196 structures surveyed, 59% of the buildings are ranked in sound condition, 29% require minor

maintenance, 10% require moderate maintenance, and 2% require substantial maintenance/rehabilitation. Deferred maintenance is disproportionately concentrated in small complexes.

3. Special Needs

Chino also has a large special needs population which typically has more difficulty in finding decent, suitable, and affordable housing due to special circumstances. As of 1990, Chino had 2,284 elderly persons, 2,358 persons with mobility or self care limitations, 3,243 large families, and 2,046 single parents with children. Other special needs groups exist, including a smaller number of homeless persons and farm-workers. These households typically require special accommodations – such as disabled access, larger and more affordable units, additional supportive services, or access to rental housing subsidies.

Chino maintains a considerable number of affordable housing units through (1) senior housing projects; (2) public housing; (3) Section 8 subsidies; and (4) rent controlled mobile-home parks. Still, there is a need for additional housing units that are affordable and suited to large renter families. Moreover, because of the uncertainty with the long-term stability of the Section 8 program, some of the subsidized units could be lost.

4. Providing for Future Needs

Chino also needs to continue making progress in meeting its regional share of housing growth. This involves continuing to provide adequate sites to accommodate the housing needs of all economic segments of the community. Chino has provided for an appropriate number of adequate sites necessary to meet its regional housing needs allocation for the present planning period.

B. Organization of the Element

The Housing Element is a five-year housing plan extending from July 1, 2000 through June 30, 2005. This Housing Element identifies policies, programs and objectives that focus on the following:

- ▶ conserving and improving existing affordable housing;
- ▶ providing adequate housing sites;
- ▶ assisting in the development of affordable housing;
- ▶ removing governmental and other constraints to the housing development; and
- ▶ promoting equal housing opportunities for all segments of Chino.

The Housing Element consists of the following major components:

- ▶ An analysis of the demographic, household, and housing characteristics and trends (Section 2);
- ▶ A review of potential market, governmental, and environmental constraints to meeting the identified housing needs (Section 3);
- ▶ An evaluation of the land, financial and administrative resources available to address housing needs (Section 4); and
- ▶ An evaluation of the accomplishments achieved under the adopted 1989 Housing Element (Section 5).
- ▶ A statement of the Housing Plan, including goals, policies, and programs, to address the identified housing needs (Section 6).

C. Data Source and Methods

In preparing the Housing Element, various data sources were consulted. The 1990 Census provides the basis for population and household characteristics. Although dated, there is no better source of information on demographics that is widely accepted. To ensure that information is as timely as possible so that informed decisions on housing policies and programs can be made, several data sources are used to provide updates to the Census:

- ▶ Population data is updated by the Department of Finance.
- ▶ Housing market data is updated by recent sales activity.
- ▶ Service agencies are consulted for program information.
- ▶ Lending patterns are analyzed from data provided by the Federal Financial Institutions Examination Council.

D. Public Participation

As part of this Housing Element preparation, the City established a Housing Advisory Committee (HAC), comprised of City officials and staff, and experts in the housing field. HAC was instrumental in providing input into each phase of the Element development. A total of four HAC meetings were conducted to discuss housing needs, constraints to housing development, and potential programmatic/policy solutions.

Chino residents had several opportunities to help formulate the policies and strategies contained in this Element. A publicly noticed study session was conducted before the Planning Commission prior to formulating the housing policies and programs included in the draft Element. The draft Element was available for public review at City Hall and the Chino public library. Public hearings were conducted before the Planning Commission and the City Council for the adoption of the

Housing Element. Notification was published in the local newspaper prior to each hearing. Public comments were accepted in writing as well as in the hearings.

As part of the City's 2000-2005 Consolidated Plan development, the City also undertook a series of public hearings to solicit community input on housing needs. Housing and social service providers serving the low and moderate income households and persons with special needs were invited to attend the hearings.

E. Relationship to General Plan

The Chino General Plan consists of the following eight elements: 1) Land Use; 2) Circulation; 3) Housing; 4) Open Space and Conservation; 5) Noise; 6) Seismic and Public Safety; 7) Air Quality; and 8) Economic Development. This Housing Element builds upon the goals and policies established in other General Plan elements. As part of this Housing Element update, the City has retained consultant services to prepare a consistency analysis of housing and related documents in order to identify areas where revisions would be needed.

2. HOUSING NEED ASSESSMENT

Assuring the availability and adequacy of housing is an important goal for Chino. To that end, this Needs Assessment of the Housing Element describes and analyzes the population, household, and housing characteristics of Chino in an effort to determine the nature and extent of specific housing needs.

A. Population Characteristics

Population characteristics affect the type of housing needs in a community. Population growth, age characteristics, race/ethnicity, and employment trends determine the type of housing needs and the ability to afford different housing. This section details the various population characteristics affecting housing needs.

1. Population Trends

Chino has grown rapidly in the past 25 years, transforming the City from an agricultural-based community to a bustling suburban community. Many of these changes can be linked to the construction of the 60 and 71 Freeways, which opened access to the housing and job markets throughout the Inland Empire and Los Angeles County.

As an emerging employment and housing center in western San Bernardino County, Chino's population has risen dramatically over the past 20 years, from 40,165 in 1980 to 59,682 in 1990. However, approximately 25% of the increase in population between 1980 and 1990 was due to increased inmate population at the California Institution for Men (CIM). Since 1990, Chino has experienced an additional 10% in growth to a total population of 65,678 in 1999.

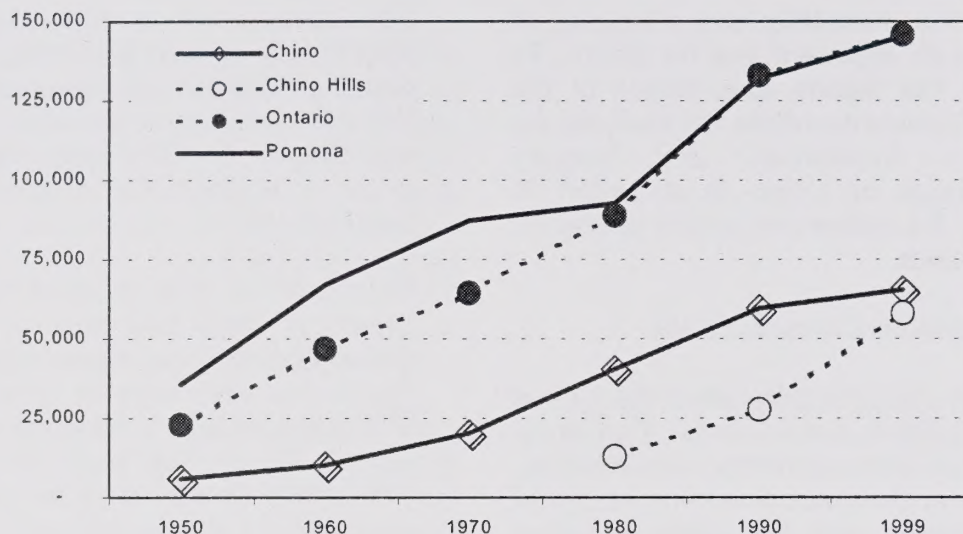
Population growth is also occurring within neighboring cities in the Chino Valley. Chart 1 on the next page displays growth trends for the cities of Ontario, Pomona, Chino Hills, and Chino. The City's trend in population growth is similar to that occurring in Ontario and Pomona.

From 1980 to 1990, much of the population growth in Chino had occurred in the East Chino Specific Plan Area. Annexed in the 1980s, this area consists of approximately 972 acres located in the eastern portion of Chino. Many of the homes in the Specific Plan are built with three to five bedrooms each and are suitable for larger families.

Besides the East Chino Specific Plan area, annexations will result in future population growth. In 1999, the City annexed 1,810 acres of its Sphere of Influence (SOI), most of which is zoned for agricultural or open space uses. Chino is anticipating annexing the remaining 5,450 acres of its SOI in the upcoming decade, although the development potential in this area has not yet been identified.

Because of higher employment forecasts and annexations, Chino should experience a significant increase in population. The Southern California Association of Governments (SCAG) projects that in the short term, the Chino population will increase by approximately 7,000 persons from 1998 through 2005. In the long term, Chino expects to continue growing as the newly annexed areas are developed. According to SCAG, Chino may increase in population to a total of 80,500 by the Year 2020.

Chart 1: Population Growth Trends



2. Age Characteristics

Housing demand is affected by the age of residents. Younger adults (ages 20-34 years) tend to prefer apartments, condominiums, and smaller single-family units that are affordable. Adults between ages 35 and 65, particularly those with children, prefer larger homes. However, as children leave home, seniors often trade-in for smaller, moderate-cost homes requiring less maintenance.

Within Chino, the age distribution of residents had changed significantly during the 1980's. There was a 100% increase in adults between ages 35 and 44. The young adult population (ages 25-34) also increased 40%, but largely due to an increase in the inmate population at the CIM. With the large increase in the adult population, there was also a corresponding 25% increase in the number of children under age 14.

Population increases are not isolated to only younger adults and their children. The older adult population had also changed dramatically in the 1980's. For instance, middle age adults 45 to 54 increased nearly 75%, and seniors ages 65 and over

increased 75%. Much of this change was due to the gradual aging of residents and the influx of new residents as Chino grew.

Change in the age characteristics of residents could create a demand for different types of housing in Chino. The rise in seniors and young adults could spur demand for smaller and more affordable complexes. At the same time, the rise in families, especially in the early adult years, could create a demand for single-family homes. Chart 2 on the following page details changes in the age distribution of Chino residents from 1980 to 1990.

Chart 2: Age Distributions - 1980 and 1990

Age Group	1980		1990	
	Persons	% of Total	Persons	% of Total
< 5	3,873	9.6%	4,802	8.0%
5-14	7,679	19.1%	9,374	15.7%
15-24	7,758	19.3%	11,335	19.0%
25-34*	9,008	22.4%	12,837	21.5%
35-44	4,963	12.4%	10,328	17.3%
45-54	2,964	7.4%	5,128	8.6%
55-64	2,211	5.5%	2,872	4.8%
65 +	1,709	4.3%	3,006	5.0%
Total	40,165	100.0%	59,682	100.0%
Median Age	26.4 years		28.3 years*	

Sources: 1980 and 1990 Census

*Notes: Over half of the population increase in the 25-34 age group was due to an increase in the CIM's inmate population, which also skews the median age.

3. Race and Ethnicity

Chino, like many communities across the southland, is becoming more diverse in race and ethnicity. With this diversity comes households with different income levels, family types, and language that may affect their needs and the housing opportunities available to them.

Chart 3 displays changes in race and ethnicity over the past decade. From 1980 to 1990, minorities grew to comprise 48% of the City's population. Whites increased by approximately 5,000 residents, but declined to 52% of the City's population. This trend occurred because Black and Hispanic residents increased by over 100%, while the Asian population increased by over 200%. The inclusion of the California Institution for Men (CIM) in the 1990 Census data affected the racial/ethnic distribution in the City.

Increasing race-ethnic diversity is often associated with different income levels. According to the Census, Whites earned approximately \$15,300 per capita, much

higher than the average of \$12,900. Asians earned slightly below the average income level at \$11,000 per capita. Hispanics and Blacks each earned \$8,900 and \$6,900 per capita, respectively.

The differences in income levels by race-ethnicity typically result in different homeownership rates among groups. In 1990, over 70% of Whites and Asians owned their homes, presumably due to their relatively higher income levels. Meanwhile, approximately 59% of Hispanics and less than 50% of Blacks owned their homes.

In 1990, there were an estimated 10,275 foreign-born residents in Chino, and approximately 20% of the households which spoke other languages were linguistically isolated, defined as unable to speak the English language.

Since the 1990 Census, the racial-ethnic composition of residents in Chino Valley has further diversified. This is evident in the enrollment trends of the Chino Valley Unified School District which serves the cities of

Chino, Chino Hills, and southwest Ontario (Chart 4). In school year 1990/91, white students comprised 59% of the CUSD student population. This proportion declined to 45% in 1998/99. The proportion of Hispanic students increased from 31% in 1990/91 to 40% in 1998/99.

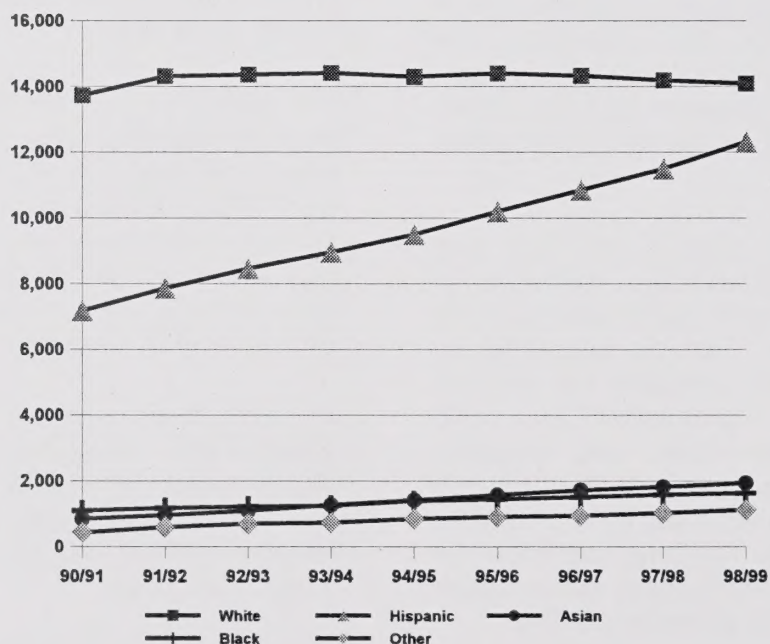
Chart 3: Race and Ethnicity

Groups	1980 Census		1990 Census*	
	Persons	Percent	Persons	Percent
White	26,514	66.0%	31,291	52.4%
Black	1,857	4.6%	4,560	7.6%
Hispanic	10,733	26.7%	21,588	36.2%
Asian	601	1.5%	1,883	3.2%
Other	460	1.1%	360	0.6%
Total	40,165	100%	59,682	100%

Source: U.S. Census 1980; 1990

* Changes in CIM affect the distribution shown here.

Chart 4: Trends in Ethnic Distribution of Students



Source: California Department of Education

4. Education and Employment

Chino is known for the diversity of its employment base. Currently, Chino has several correctional facilities, large agricultural preserves, as well as an emerging industrial and commercial base. Future annexations will also provide the opportunity for greater diversification.

According to the State Employment Development Department, Chino has a relatively robust economy -- recording an unemployment rate of only 4.1% in 1998. Chino's unemployment rate falls between Chino Hills (2.0%) and Ontario (5.5%), and is significantly below the 5.7% in San Bernardino County and 7.7% in Pomona.

Chino's shift from an agricultural economy to a more diversified economy can also be seen by the types of occupations held by residents. Between 1980 and 1990, job growth occurred in all sectors, with much of the growth being in managerial/professional, sales, technical, administrative, and service occupations. Production/labor jobs also increased, but fell as a proportion of all jobs held (Chart 5).

The change in Chino's employment base also appears to be reflected in the educational achievement of its residents. Adults over the age of 25 with an associate degree or bachelor's doubled from only 11% in 1980 to 22% by 1990. Correspondingly, the percentage of adults without a high school diploma declined from 29% to 25%. Because greater income earning potential is typically associated with higher education, this is an overall positive trend for Chino.

In terms of future growth, Chino will continue to expand its employment base with the annexation of the remaining portion of its Sphere of Influence, construction of regional retail uses along the 71 Freeway, and continued development of its downtown core. SCAG projects that employment base in Chino will increase to a total of 92,000 jobs by the Year 2020. This trend will underlie continued strong demand for housing in the Chino Valley.

Chart 5: Occupation of Residents - 1980 and 1990

Job Category	1980	% of Total	1990	% of Total
Managerial/Professional	3,399	21.2%	5,777	22.9%
Sales, Technical, Administrative	4,973	31.1%	8,655	34.4%
Service Occupations	1,651	10.3%	2,827	11.2%
Operators, Fabricators, Laborers	5,203	32.5%	7,097	28.2%
Farming, Forestry, & Fishing	780	4.9%	825	3.3%
Total Employed Persons	16,006	100.0%	25,181	100.0%

Source: 1990 Census

B. Household Characteristics

Household characteristics affect the type and amount of housing needed in Chino. Household type and size, income levels, and the number of special needs groups, such as large or single-parent families, determine the housing needs in Chino.

1. Household Characteristics

The Census defines a household as all persons who occupy a housing unit. There are many possible "household arrangements," including families, single-person households, and unrelated persons sharing the same quarters. Persons living in retirement homes or convalescent homes, prisons or other group situations are counted separately.

As of 1999, the Department of Finance estimates that Chino has 16,913 households, representing an 8% increase since 1990. In comparison, Chino experienced a much more significant household growth (42%) during the previous decade.

The household profile in Chino had changed between 1980 and 1990. In 1990, families comprised 80% of all City households, down from 85% in 1980. Meanwhile, single-person households increased from 11% to 15% of all households. Given the limited household growth since 1990, the current household profile is expected to be similar to that in 1990.

The change in household composition had resulted in a slight reduction in the average household size between 1980 and 1990, from 3.34 to 3.27 persons per household. In 1999, average household size is estimated at 3.40. The relationship of household size to overcrowding will be addressed later in this Housing Element.

In 1990, the largest group of households were "families." Among family households, the largest share were married couples with no children (54%) and married couples with children (34%). Single parents with children comprised 8% of families, with the remaining 4% referred to as related persons living together.

Chart 6: Household Characteristics

Groups	1980 Census		1990 Census	
	Number	Percent	Number	Percent
Total Population	40,165	---	59,682	—
In Group Quarters	3,421	9%	8,501	14%
Households	10,992	100%	15,636	100%
Families	9,335	85%	12,579	80%
Singles	1,237	11%	2,294	15%
Others	420	4%	763	5%
Persons Per Household	3.34		3.27	

Source: U.S. Census 1980; 1990

2. Household Income

Household income is a key factor in a family's ability to balance housing costs with basic necessities of life. Household income also varies considerably based upon tenure, household type, location of residence, and racial and ethnic group.

As of the 1990 Census, Chino households earned a median household income of \$41,958, significantly higher than the Countywide average of \$33,443. In 1990, Chino had the fifth highest median income in San Bernardino County. Surrounding cities which share the same housing market include Ontario (\$35,788), Pomona (\$32,132) and the City of Chino Hills (\$58,030).

SCAG groups households into different income categories according to their percentage of the County median family income when determining regional housing needs. These are: very low income (up to 50% of the County median); low income (51% to 80%); moderate income (81% to 120%), and upper income (121%+).

Chino's income profile had changed significantly between 1980 and 1990, with the number of lower income households increasing faster than that of moderate and upper income households (Chart 7). However, Chino still had a significantly smaller proportion of very low income households and a correspondingly larger proportion of upper income households than the County in 1990 (Chart 8).

Chart 8: Household Income (1990)

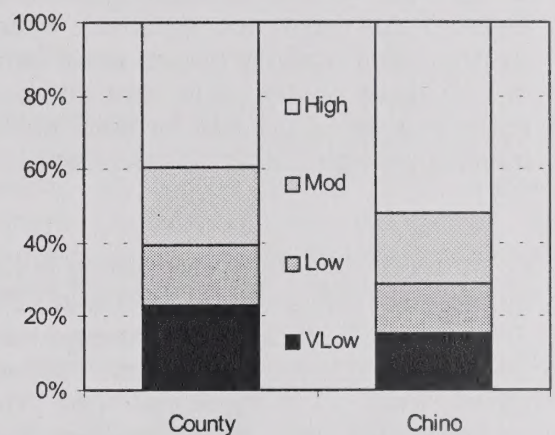


Chart 7: Income Profile of Chino Households

Income	1980 Census		1990 Census	
	Hhlds	Percent	Hhlds	Percent
Very Low (<50% MFI)	1,479	14%	2,571	15%
Low (51-80% MFI)	1,050	10%	2,208	13%
Moderate (81-120% MFI)	1,942	18%	3,242	19%
Upper (121% + MFI)	6,400	59%	8,660	52%
Total	10,871	100%	16,681	100%

Source: 1980 and 1990 Census.

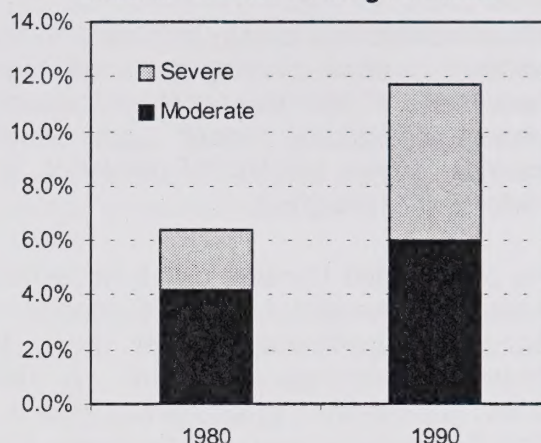
3. Overcrowding

An important measure of quality of life is the extent of overcrowding in a community. Neighborhoods with high levels of overcrowding are often associated with a higher level of noise, deterioration of homes, and a shortage of parking. Therefore, maintaining a reasonable level of occupancy is an important goal.

Housing overcrowding is typically defined by a housing unit occupied by more than one person per room, excluding bathrooms, kitchens, hallways, and porches. Housing overcrowding typically occurs when families or individuals double up to save on housing costs in order to provide for food, clothing, medical care and other basic necessities of life.

From 1980 to 1990, overcrowding in Chino increased significantly, from 6.4% to 12% by 1990 (Chart 9). Most of the increase was in severe overcrowding situations, defined as more than 1.5 persons per room. Overcrowding in Chino appears to be concentrated in areas which have a high percentage of minorities, lower income households and renter households. Household overcrowding ranged from a lower concentration of 14% in census tract 5.0 to a higher concentration of 27% in census tract 6.0, according to the Census.

Chart 9: Overcrowding in Chino



Overcrowding varies significantly by the income, type and size of the household. According to the Census, lower income households had the greatest level of overcrowding at 18% because they had to trade housing space for other basic necessities of life. Renter overcrowding was 22%, triple the 7% overcrowding rate among owners. Overcrowding was also particularly high among large families and lower income families. The Census reported that 38% of large families and 59% of lower income families were living in overcrowded housing conditions (Chart 10).

Chart 10: Overcrowding by Tenure

Household Type	Percentage of Households Overcrowded			
	All	Owners	Renters	Low Income
Total Households	12%	7%	22%	18%
Elderly	1%	0%	2%	0%
Small Families	6%	2%	19%	15%
Large Families	38%	28%	60%	59%

Source: U.S. Census 1990

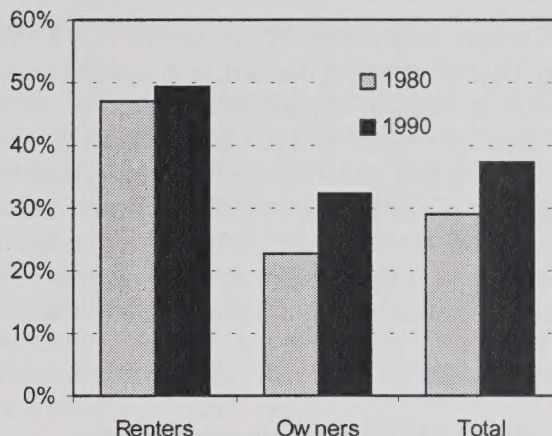
4. Overpayment

Another important indicator of housing need in Chino is housing cost and affordability. Affordable housing is important because it allows families the ability to choose housing suited to their needs and have sufficient income left over to afford food, clothing, health care, and other necessities of life.

The Census tracks the cost of housing and the level of overpayment in a community. Housing overpayment is measured by whether a householder pays over 30% of their gross income for housing costs, including rent, mortgage, insurance, utilities and taxes. Although this standard is often exceeded in many communities, it still provides a reliable measure of housing need.

Housing overpayment in Chino had increased. Between 1980 and 1990, the proportion of owner-households overpaying for housing increased significantly from 23% to 32%. Overpayment among renters also increased slightly from 47% to 49% of all renters (Chart 11). In comparison, the extent of housing overpayment was approximately the same for renters and owners in the surrounding County.

Chart 11: Overpayment Rates



Overpayment rates typically vary among households according to income level and tenure. By income levels, 70% of lower income households were overpaying for housing in 1990. Renter overpayment among low income households was higher at 80%.

In addition to housing tenure, housing overpayment is also prevalent among certain types of households. Chart 12 below shows that approximately 43% of the elderly households and 34% of large families were overpaying for housing.

Chart 12: Overpayment by Tenure

Household Type	Percentage of Households Overpaying			
	All	Owners	Renters	Low Income
Total Households	37%	32%	49%	70%
Elderly	43%	34%	64%	60%
Small Families	36%	32%	50%	76%
Large Families	34%	29%	44%	69%

Source: U.S. Census 1980; 1990

5. Special Needs Groups

Certain segments of residents have more difficulty in finding decent, affordable housing due to special circumstances and/or needs. "Special needs" groups are defined by State housing law and include the elderly, disabled persons, large households, single parent families, farm-workers, and the homeless. As shown in Chart 13, Chino had a sizable share of households with special housing needs in 1990.

Chart 13: Special Needs Groups

Special Needs	# Hhlds or Persons	Percent
Elderly-Headed Households	2,053	13%
Disabled Persons		
Work Disability	2,151	3%
Mobility/Self Care	2,358	4%
Single-Parent Families	1,622	10%
Subfamilies	424	3%
Large Households	3,243	21%
Homeless Persons	1,000	6%
Farm-workers	n.a.	n.a.

Source: U.S. Census 1990

Because of special circumstances facing many households in Chino, the City has developed an array of programs designed to meet their needs. This section briefly outlines the range of special needs groups in Chino, while later sections of this Housing Element address the policies and programs for each group.

Seniors and Elderly

Elderly households have special housing needs due to three concerns – fixed income, health care costs, and physical disabilities. Seniors are retired and have relatively lower, fixed incomes. At the same time, however, health costs are rising. Many have become

disabled and require special home care or assistance with daily chores and home tasks. According to the 1990 Census, 5% of Chino's residents were older than 65 years – only half the County average of 10%. However, a significant portion had special needs. Approximately one in four elderly had a self-care or mobility limitation, defined as a condition lasting over six months which makes it difficult to go outside the home alone or take care of personal needs. Nearly one out of every ten seniors was living in poverty.

Chino has made progress in providing for the growing needs of its senior persons. As part of the City's Downtown Civic Center Master Plan, the City completed its Chino Season Villas housing complex, providing for an additional 104 units. Occupancy is restricted to persons 55 and older who qualify under local median income guidelines. Despite these opportunities, there is still demand for senior housing as evidenced by the growing share of seniors living in Chino.

The City also provides for a senior shared housing program that matches persons in need of affordable housing. This program is designed to reduce the isolation of seniors and extend their ability to live independently. In addition, the City has a mobile home rent control ordinance which benefits seniors, many of whom are living in the five mobile-home parks in the City.

Disabled Persons

Chino is home to a number of people who have disabilities that prevent them from working, restrict their mobility, or make it difficult to care for themselves. The 1990 Census defines three types of disabilities:

- ▶ *Work disability:* a physical or mental condition which restricts a person's work and prevents them from working full-time;

Mobility limitations: a physical or mental condition which make it difficult to go outside the home alone; and

- ▶ **Self-care limitations:** a physical or mental condition that make it difficult to take care of one's personal needs.

Although no comparison of disability with household size or income is available, it is reasonable to assume that a substantial portion of disabled persons earn very low income. This is especially true if the disability prevents them from working. Furthermore, persons with self care limitations may require special housing design features -- wheel chairs, holding bars, special bathroom designs, wider doors, and other design features.

The City provides services to meet the needs of their disabled population. The City's Senior Companion Program is designed to match the frail elderly with able seniors to assist with grocery shopping, paying bills and other supportive activities, allowing frail seniors to maintain their independence. For disabled persons, the City also provides referral services through the Inland Regional Center, and the San Gabriel/Pomona Valley Regional Center.

Large Households

Large households are defined as those with five or more members. Large households are a special need group, because there is often only a very limited number of affordable and adequately sized units. As a result, it is common for large households to either reside in smaller units, resulting in overcrowding, or reside in larger units, resulting in overpayment.

According to the Census, the City had 3,243 large households. While Chino's housing stock had about 9,900 units with three or more bedrooms, many of them were not available or affordable to those needing large homes. In 1990, approximately 38% of

Chino's large families were overcrowded, while approximately 70% of lower income large families were overpaying for housing.

In an effort to alleviate overcrowding, the City partners with the San Bernardino Housing Authority. Through the County's Section 8 program, very low income large families could receive a rental subsidy to reduce their housing costs. For homeowners, Chino also administers a room addition program, whereby large families can secure a rehabilitation loan to build additions and alleviate overcrowding.

The City is implementing other efforts to meet the needs of large families. As part of the City's housing strategy, redevelopment set-aside funds have been allocated in conjunction with Habitat for Humanity in the purchase of five units for large families. In addition, the City is developing an in-fill housing development plan to provide affordable housing for large families.

Single Parents

Single parents need special consideration as a result of their need for affordable housing, accessible day care, health care needs, and other supportive services. Female-headed households with children, in particular, have significantly lower incomes than other types of households. Taken together, single parent households often have very limited housing options and are at a higher risk of poverty.

The 1990 Census counted 1,622 single parent households with young children, constituting approximately 10% of the Chino households. Because of their generally lower income and need for supportive services, over one-third (35%) of female headed families were living in poverty. Moreover, another 425 families with children were doubling up with other families to save income for other basic necessities.

The City provides several housing and other support programs to help single parents with

children maintain the quality of life for their family.

- ▶ For lower income parents with young children, the City provides subsidized childcare, elementary school counseling, early childhood education for downtown children, and parenting classes.
- ▶ For older children, the City provides counseling services for parents and youth, and sports camps and after-school activities for elementary school and junior high students.

Chino Community Services Department in conjunction with the Chino Valley Unified School District, Chino Police Department, church groups and local service providers have also organized and maintained a Focus On Youth Committee to anticipate and address the emerging issues affecting Chino youth.

Homeless Persons

1990 Census documented that there were no homeless people living in Chino. However, the 1990 Census count of the homeless was flawed in that it only counted homeless people in emergency shelters or visible at street locations in a given night. Service agencies have reported serving between 700 and 1,200 homeless persons annually, including homeless persons from surrounding areas and those passing through the region. The homeless population in Chino is modest, although the actual size is difficult to determine.

Several facilities and agencies serve the needs of the homeless population. Chino Neighborhood House and the Chino Aletheian Foundation provide emergency motel vouchers, rental/shelter assistance, partial to full utility payments, and food and clothing to very-low income persons, including the homeless.

The City offers a homeless voucher for up to

two nights' stay at a local hotel for families who are homeless or at risk of homelessness. Isaiah's Rock, a nonprofit located in downtown Chino, also offers food, clothing, and shelter for persons and families in need.

Catholic Charities also provides food, clothing and rent vouchers to women and children who are either homeless or at-risk of homelessness.

In a neighboring city, St. Mark's Homeless Shelter provides shelter and various support services for homeless families and individuals for up to 90 days.

Farmworkers

According to the 1990 Census, there were approximately 825 persons with occupations in the natural resources. Natural resource jobs include those in farming, fishing and forestry. However, standard Census data on natural resource jobs typically over-estimate a community's actual housing need for farmworkers. Agricultural jobs in and around Chino are primarily in the dairy industry. Dairies rely on year-round employees, not seasonal migrant labor which is typical for other agricultural communities.

Since Chino's farmworkers are not seasonal, conventional affordable housing programs can be used to adequately meet their housing needs. There is a limited amount of land zoned for agricultural uses. It is virtually all located within the flood plain of Prado Dam, where habitable uses are not permitted. The zoning however, does allow the following uses:

- ▶ Permitted - Single-family homes, senior housing projects, and caretaker quarters
- ▶ Conditionally permitted - Secondary units
- ▶ Administratively permitted - Senior secondary units (granny flats)

C. Housing Stock Characteristics

This section of the Housing Needs Assessment addresses various housing characteristics and conditions that affect the quality of life for the residents of Chino. These include housing growth, tenure, age and condition, and cost among others.

1. Housing Growth

Chino has grown rapidly over the past 25 years, gradually transforming from an agriculturally-based community to a more diversified community. With changes in the economic base, Chino has emerged as a housing and employment center in west San Bernardino County.

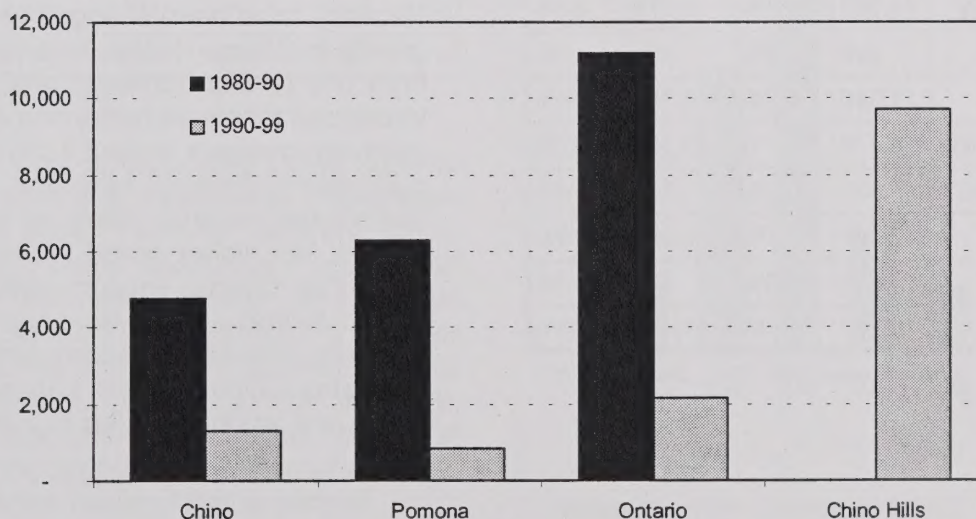
Beginning in 1980, the housing stock in Chino has increased by over 50%, from 11,372 to 17,454 units in 1999. In comparison to Chino, the neighboring Pomona has also experienced moderate housing growth. Higher growth areas include Ontario and Chino Hills, where building activity has increased due to annexations and the build-out of master planned areas (Chart 14).

According to SCAG, Chino will continue to see housing growth through the Year 2020. SCAG projects that population growth will increase demand for an additional 2,000 units by the Year 2005. Longer term projections forecast an additional 3,700 units by the Year 2020.

Much of Chino's forecasted growth will occur in the East Chino Specific Plan. This area comprises 748 acres, of which 600 are zoned for housing development. The Housing Resources section of this Element will evaluate the remaining residential development potential in the East Chino Specific Plan area.

Besides the Specific Plan area, future growth will result from annexations. In 1999, the City annexed 1,810 acres of its Sphere of Influence (SOI), most of which is zoned for agricultural and open space uses. Chino is anticipating annexing the remaining 5,450 acres of its SOI in the upcoming decade, although the development potential has not yet been identified.

Chart 14: Regional Housing Unit Growth



Sources: 1980 and 1990 Census; 1999 Department of Finance Population and Housing Estimates.

Housing Type

A certain level of housing diversity is an important factor in ensuring adequate housing opportunities for Chino's residents. A more diverse housing stock helps ensure that all households, regardless of their income, age group, and/or family size, have the opportunity to find housing that is best suited to their needs.

Over the past several decades, Chino has gradually diversified its housing stock. In 1970, 86% of the City's housing stock was single-family housing. By 1980, single-family housing had dropped to 74 percent of the total as new multi-family units were constructed.

Chart 15 shows how the composition of the Chino housing stock had changed very little between 1990 and 1999. Very few units were constructed during this period. Single-family housing has remained the dominant housing type, constituting approximately 75 percent of the housing stock.

Chart 15: Changes in Housing Stock

Type	1990		1999	
	Units	%	Units	%
Single-family	11,966	74%	13,077	75%
Attached	920	6%	920	5%
Detached	11,046	68%	12,157	70%
Multiple-family	3,430	21%	3,800	22%
2 to 4 Units	689	4%	719	4%
5 + Units	2,741	17%	3,081	18%
Others	741	5%	577	3%
Total	16,137	100%	17,454	100%

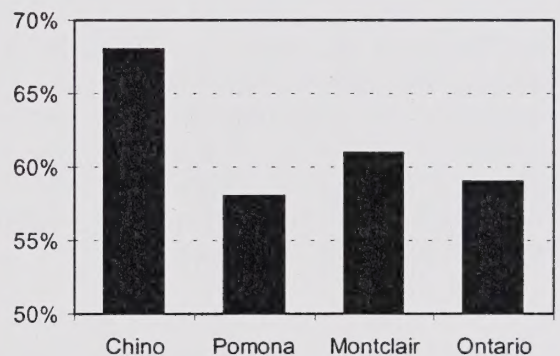
Source: U.S. Census Bureau 1980; 1990. Department of Finance (1999)

2. Housing Tenure

The home-ownership rate is a key indicator of the well-being of residents. It reflects the degree of match between household income, housing costs in Chino, and the ability to afford a home. Vacancy rates also reflect the match of supply and demand for housing.

A large percentage of Chino's residents are homeowners. As of the 1990 Census, approximately 68% of Chino residents were homeowners – slightly higher than the 65% home-ownership rate during 1980. Chino's homeownership rate was significantly higher than the nearby cities of Ontario (59%), Pomona (58%), and Montclair (61%).

Chart 16: Homeownership Rate



Vacancy rates have changed with the rapid growth in Chino. Renter vacancies declined from 8% to 5% between 1980 and 1990. Vacancies for single-family homes remained relatively constant around 1.1% in 1990. In comparison, Pomona, Montclair, and Ontario had similar vacancy rates for single-family homes, but higher rental vacancies (Chart 17). The County vacancy rate for single-family homes was very high at 3.2%. Currently, the State Department of Finance estimates Chino's overall vacancy at 3.1%, the lowest among all cities in the County.

Chart 17: Vacancy Rates

City	Rental Vacancy	Owner Vacancy
Chino	4.9%	1.1%
Pomona	5.9%	1.9%
Montclair	6.1%	1.5%
Ontario	7.1%	1.9%
County	8.8%	3.2%

Source: 1990 Census.

According to the 1990 Census, more than 60% of Chino's housing units had at least three bedrooms. However, the vast majority of these units were ownership housing; only 1,332 units with three or more bedrooms were rental housing compared to 8,374 ownership units (Chart 18).

Chart 18: Housing Tenure by Size

Bdrms	Total	Rental		Ownership	
		#	% of Total	#	% of Total
None	331	308	6%	15	0%
One	1,911	1,427	28%	419	4%
Two	3,986	1,953	39%	1,808	17%
Three	5,680	1,001	20%	4,568	43%
Four+	4,239	331	7%	3,806	36%
Total	16,147	5,020	100%	10,616	100%

Source: 1990 Census.

A certain level of vacancies in the housing market is desirable. Vacancies help ensure sufficient choice among different units, moderate housing costs, and provide an incentive for unit upkeep and repair. According to SCAG, a 1.5% to 2.0% vacancy rate for homes and a 4.5-5% rental vacancy rate is optimal. Based on this standard, vacancy rate among ownership housing in Chino is only slightly below optimal level and Chino's rental vacancy rate is optimal.

The opening of the 71 Freeway, the new job opportunities available in Chino, and upcoming annexation should increase

migration into the Chino Valley, creating a strong market for single-family homes in the upcoming years. The impact on sales prices of homes is discussed later.

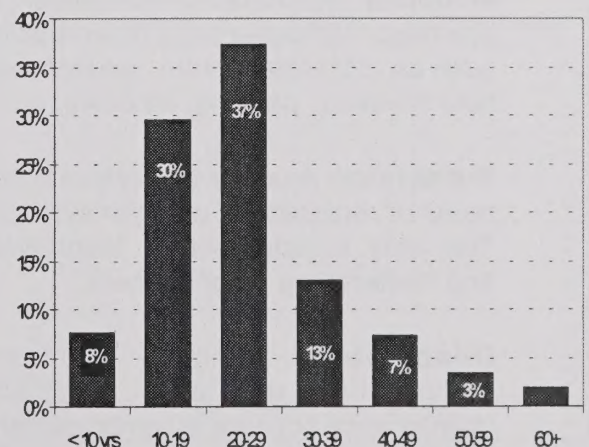
4. Housing Age and Condition

Housing age is often a good measure of housing condition.

Chino's housing stock is relatively new; the median year built for housing units in Chino was 1976 with a median age of 23 years, approximately the same for the County of San Bernardino. Chart 19 illustrates the distribution of Chino's housing stock by age. As of 1990, approximately 25% of the City's housing stock was older than 30 years.

By the Year 2000, nearly 70% of Chino's housing stock will be over 30 years. This is the point when housing typically requires repairs to its roof, plumbing, and other major components. Without routine reinvestment, the housing stock will deteriorate at an accelerated pace.

Chart 19: Housing Stock Age



Sources: 1990 Census and 1999 Department of Finance Population and Housing Estimates.

As part of this Housing Element update, the City conducted a survey of housing conditions in targeted neighborhoods. The survey had three parts:

- ▶ Focused lot-by-lot survey of selected areas;
- ▶ Block-by block survey of selected neighborhoods; and
- ▶ Survey of multifamily buildings.

Map 1 illustrates the lot-by-lot and block-by-block survey areas. The survey areas were identified based on staff assessment of areas with potential accelerated housing deterioration. Condition rankings were assigned as follows:

Sound: A unit and/or property that appears new or well-maintained with all structures appearing intact.

Minor: Shows evidence of deferred maintenance or need for work on one major component, such as roofing, or is in need of landscape maintenance.

Moderate: Requires the replacement of one major component and other repairs, such as roof replacement, landscaping, new driveway, painting, windows, etc.

Substantial: A unit or property requires repair or replacement of major systems. This may include roofing, foundation, and landscaping among others.

Dilapidated: Building appears structurally unsound, property maintenance appears to be nonexistent, and the housing unit may appear to be unfit for habitation.

Lot-by-Lot Survey

Results of the lot-by-lot survey are summarized by census block group in Chart 20 and provided in greater detail under a separate report, entitled "Housing Conditions Survey and Multifamily Residential Survey."

A total of 1,515 housing lots were surveyed. The survey indicated that housing units on 873 lots (58%) are in sound condition, units on 260 lots (17%) require minor maintenance, units on 318 lots (21%) require moderate maintenance, units on 33 lots (2%) require substantial maintenance, and units on 30 lots (2%) are in dilapidated conditions.

Block-by-Block Survey

The neighborhood survey was designed to assess the overall condition of 18 block areas where code enforcement complaints appeared to be concentrated. Map 2 illustrates the block-by-block survey area and survey results.

The survey results indicate that all units within this survey area are either in sound condition or require only minor maintenance efforts. Approximately 78% of all properties surveyed in the block areas are given a Minor rating while 22% are given a Sound rating.

Block areas rated Sound include those areas where a majority of buildings and properties are new and/or well-maintained with only minor maintenance problems in evidence (peeling paint, minor yard maintenance). Block areas rated Minor include those areas where a majority of buildings and properties show signs of deferred maintenance such as needing new roofs or landscaping and yard maintenance. No block areas are rated Moderate, Substantial, or Dilapidated.

Multifamily Residential Survey

A Citywide survey of multifamily residential buildings was conducted. A total of 92 duplexes, 8 triplexes, 77 multifamily structures (4+ units), and 19 condominium projects were surveyed.

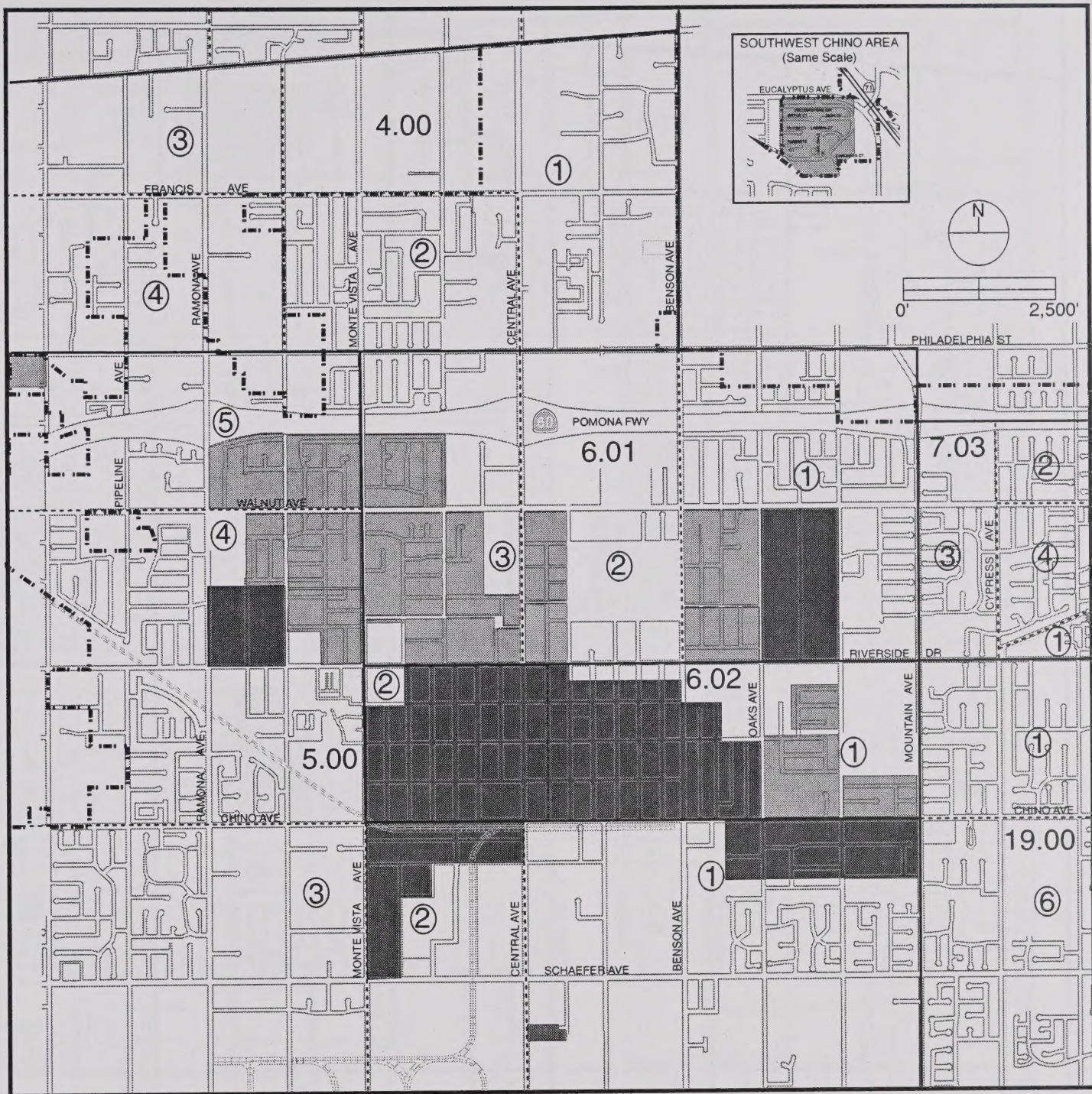
Survey results indicate that 115 (58%) of the buildings surveyed are in sound condition, 57 (29%) require minor maintenance, 21 (10%) require moderate maintenance, and 3 (1%) require substantial maintenance. No multifamily structure was rated dilapidated. Map 3 illustrates the location of the buildings surveyed and their associated rating. Chart 20 summarizes the survey results by block group. Chart 21 tabulates the survey results by building type.

Chart 20: Housing Conditions Survey Results by Block Group

Tract and Block Group	Lots Surveyed	% Sound Condition	% Minor Work Needed	% Moderate Work Needed	% Substantial Work Needs	% Dilapidated
Lot-by-Lot Survey						
5.00:BG1	130	58%	17%	20%	1%	4%
5.00:BG2	65	29%	15%	49%	2%	5%
5.00:BG4	111	48%	33%	18%	1%	0%
6.01:BG1	139	71%	14%	15%	0%	0%
6.02:BG1	739	60%	19%	19%	2%	0%
6.01:BG2	402	52%	15%	23%	5%	5%
Total	1,515	58%	17%	21%	2%	2%
Tract and Block Group	Buildings Surveyed	# Sound Condition	# Minor Work Needed	# Moderate Work Needed	# Substantial Work Needs	# Dilapidated
Multifamily Residential Survey						
5.00:BG1	0	0	0	0	0	0
5.00:BG2	3	0	1	2	0	0
5.00:BG4	8	5	2	1	0	0
6.01:BG1	10	8	2	0	0	0
6.02:BG1	29	22	4	2	1	0
6.02:BG2	17	14	0	2	1	0
Scattered	129	66	48	14	1	0
Total	196	115	57	21	3	0

Chart 21: Multifamily Residential Survey Results by Building Type

Building Type	Buildings Surveyed	# Sound Condition	# Minor Work Needed	# Moderate Work Needed	# Substantial Work Needs	# Dilapidated
Duplex	92	40	35	16	1	0
Triplex	8	7	1	0	0	0
Multifamily (4+ units)	77	54	18	3	2	0
Condo	19	15	2	2	0	0
Total	196	115	57	21	3	0



Source: Willdan Associates

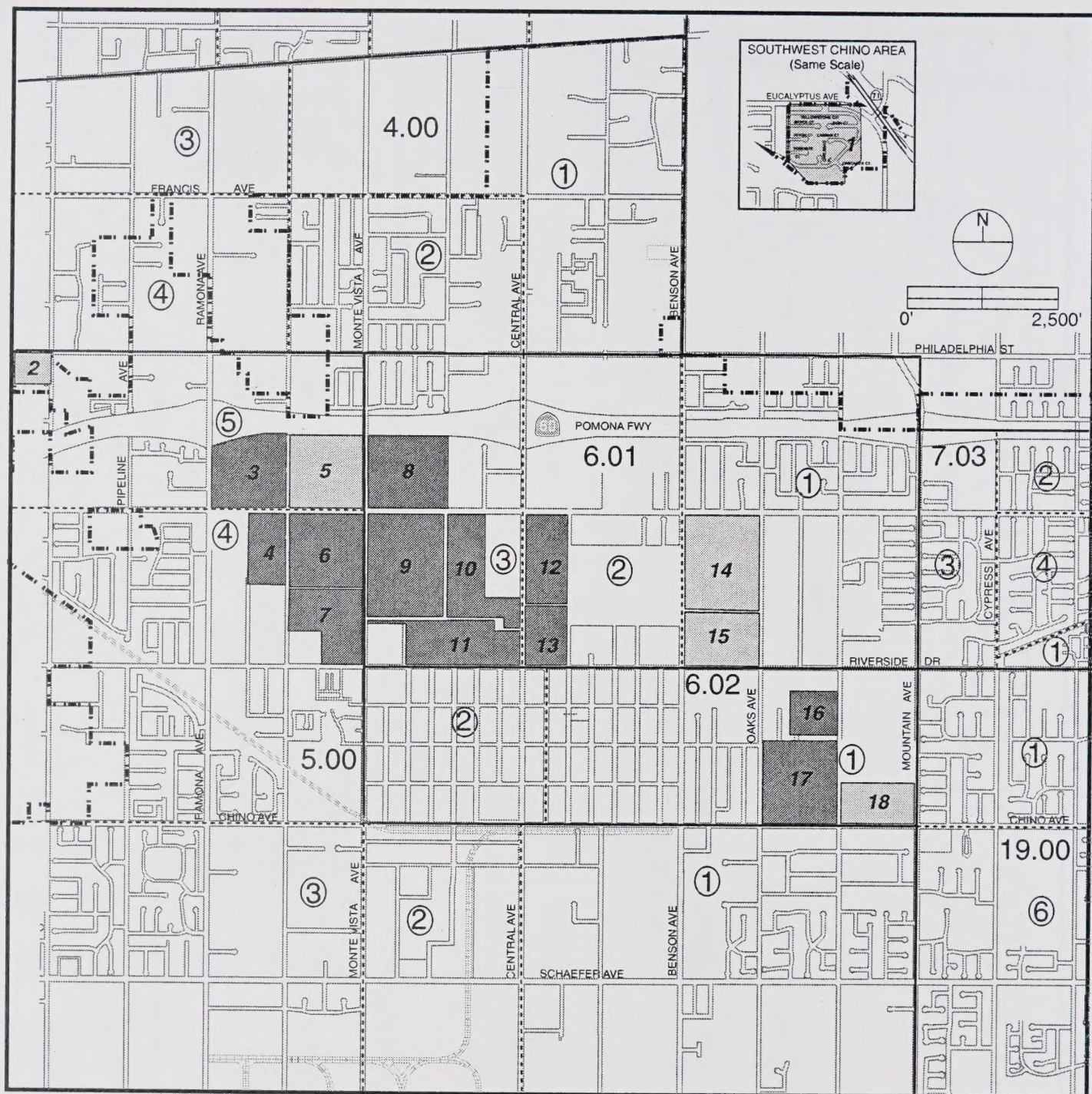
Survey Method

- Lot-By-Lot Survey
- Block-By-Block Survey

Chino City Limit

- 1.00 1990 Census Tracts
- ① 1990 Census Block Groups

Map 1 Residential Survey Areas



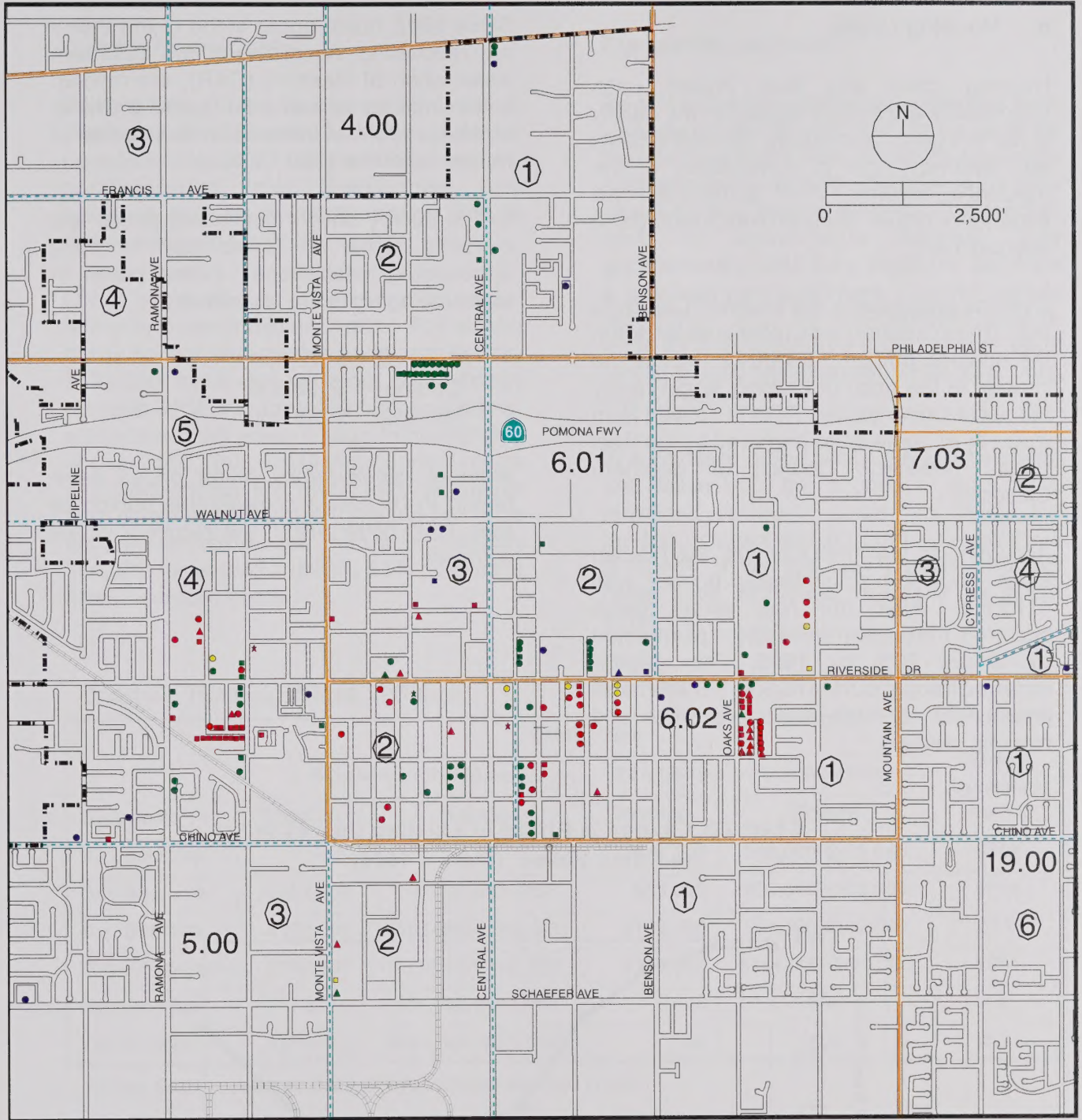
Housing Condition

- 15** Sound Condition
- 11** Minor Condition

Chino City Limit

- 1.00 1990 Census Tracts
① 1990 Census Block Groups

Map 2
Block-By-Block Housing Survey Results



Source: Willdan Associates

Housing Condition

- Sound
- Minor
- △ Moderate
- ☆ Substantial

Housing Type

- Duplex
- Triplex
- Multi-Family
- Condo/Townhouse

--- Chino City Limit

1.00 1990 Census Tracts

① 1990 Census Block Groups

Map 3 Multi-Family Residential Survey

5. Housing Costs

Housing costs and their impact upon affordability are directly related to the quality of life in a given community. If housing costs are relatively high in comparison to the resident's income, a community will experience higher levels of overcrowding and overpayment.

Over the past decade, the southern California region has experienced a roller coaster ride in the housing market. Chart 22 depicts the change in the price of existing single-family homes in Chino Valley. Data is derived from a survey of home sales prepared by the Real Estate Research Council of Southern California.

According to the 1990 Census, the median sales price for single-family homes was \$175,000. After the real estate crash occurred, the median sales prices plummeted by almost 20% by 1995. This decline occurred throughout the region, but was more pronounced for high-priced properties and housing markets.

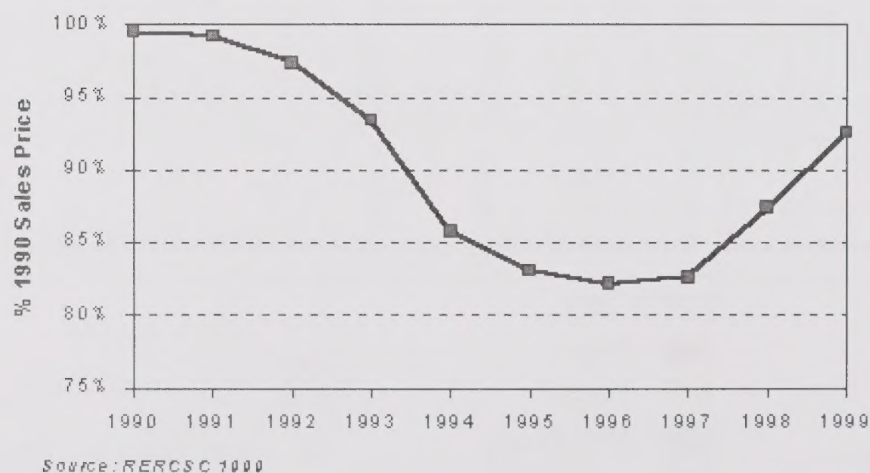
Since 1997, home prices in the Chino Valley are recovering. According to the California Association of Realtors (CAR), the median sales price for homes is \$170,000 in Chino, more than 90% of the median sales price of homes as of the 1990 Census.

CAR's survey shows that home prices are currently higher in Chino than in most surrounding jurisdictions. Home prices in surrounding cities are as follows:

- Pomona – \$120,000
- Ontario – \$128,500
- Montclair – \$138,000

Although single-family home prices have begun to recover a considerable portion of their 1990 dollar value, the recovery is not complete.

Chart 22: Change in Prices of Existing Homes in the Chino Valley (Base = 1990)



Current Home Costs

Existing home sales data was collected from Dataquick Real Estate Services. Data for approximately 800 single-family homes, condominiums, and town-homes was collected over a six-month period and is shown below in Chart 23.

Chino offers a wide price range of single-family and condominium units. For single-family homes, the median price ranges from \$122,500 for a one-bedroom single-family home to \$185,000 for a five-bedroom home, with some upper scale, custom homes pricing at over \$500,000. Small size condominiums and town-homes are much less expensive than single-family homes. The median price for town-homes ranges from approximately \$74,500 for a studio unit to \$150,000 for a three-bedroom home.

Current Rental Costs

Recent rental information was compiled from a survey of internet sites that list the rents for the apartments in Chino. Chart 23 details the median monthly rents for apartments in Chino based on this internet search. The median rent for apartments ranges from approximately \$518 for a studio to \$614 for a one-bedroom apartment. Larger rentals range from \$717 for two-bedroom units to \$904 for three-bedroom units. Newer units rent at slightly higher levels, while older units rent for less.

In contrast to home prices which have risen and fallen with the economy, rents have remained relatively stable. In 1990, the median contract rent in Chino was only \$605 a month. Over the past decade, monthly rents have increased modestly by about \$100.

Chart 23: Housing Prices in Chino

Bedrooms	Sales Price				Median Apartment Rents
	Single-Family Home		Townhome or Condominium		
	Median	Range	Median	Range	
No Bedrooms	n.a.	n.a.	\$74,500	\$48,000-\$325,045	\$518
One-Bedroom	\$151,500	\$70,000-\$184,000	\$83,000	\$25,000-\$123,500	\$614
Two-Bedroom	\$122,500	\$10,000-\$1,888,000	\$109,750	\$66,500-\$142,000	\$717
Three-Bedroom	\$150,000	\$8,000-\$1,888,000	\$150,000	\$134,000-\$170,000	\$904
Four-Bedroom	\$172,000	\$81,000-\$670,000	n.a.	n.a.	n.a.
Five or More	\$185,000	\$144,000-\$270,000	n.a.	n.a.	n.a.

Source: *Springstreet.com*; *Dataquick Real Estate Services* (1999)

Housing Costs and Affordability

The ability of a household to own or rent housing can be inferred by comparing HUD-established income limits for the San Bernardino-Riverside metropolitan area with housing costs in Chino in 1999. These data can be compared to federal standards for overpayment. Taken together, the ability to afford different housing can be estimated.

Chart 24 shows the maximum affordable home prices and maximum affordable monthly rents for households in San Bernardino County. Affordability is defined as housing costs (e.g., rent, mortgage, utilities, etc.) which do not exceed 30% of household income. The affordability threshold is adjusted based upon the size of the households.

Comparing the affordable housing costs shown in Chart 24 with current market data shows the following:

- ▶ Very-low income households cannot afford housing of adequate size in Chino. In particular, large households cannot afford large size rentals (with 3 or more bedrooms). Homeownership is not affordable to very low income households.
- ▶ Low income households can afford a one- or two-bedroom rental unit or purchase a similarly sized condominium. Older and smaller single-family homes may be affordable to low income households
- ▶ Moderate income households can afford a large rental unit with multiple bedrooms. Larger condominiums and single-family homes are affordable to those earning the upper range of moderate incomes.

Chart 24: 1999 Housing Affordability Analysis

Income Groups	Annual Income	Affordable Housing Costs	Utilities	Taxes and Insurance	Maximum Affordable Home Price	Maximum Affordable Rent
Very Low Income						
One Person	\$16,500	\$413	\$50	\$50	\$49,650	\$363
Small Family (2-4 persons)	\$21,250	\$531	\$100	\$100	\$52,650	\$431
Large Family (5+ persons)	\$26,500	\$663	\$100	\$100	\$73,500	\$563
Low Income						
One Person	\$26,450	\$661	\$50	\$50	\$89,200	\$611
Small Family	\$34,000	\$850	\$100	\$100	\$103,300	\$750
Large Family	\$40,800	\$1,020	\$100	\$100	\$130,300	\$920
Moderate Income						
One Person	\$33,050	\$826	\$50	\$50	\$115,400	\$776
Small Family	\$42,500	\$1,063	\$100	\$100	\$137,050	\$963
Large Family	\$51,000	\$1,275	\$100	\$100	\$170,850	\$1,175

Note: Calculation of affordable home price is based upon a down-payment of 10%, annual interest rate of 7.5%, a 30-year mortgage, and monthly payments of 30% of gross household income.

6. Regional Housing Needs

Every five years, SCAG determines the region's housing need and assigns a portion to each community. State law requires jurisdictions to develop policies and programs to address needs. The City's Regional Housing Needs Assessment (RHNA) is outlined here. Later sections of this Element show how Chino plans to address these needs.

In 1999, SCAG developed its regional housing needs determination based upon growth forecasts contained in the SCAG 1998 Regional Transportation Plan. This plan contained Chino's population, job, and household forecasts from 1998 through 2005. Once household growth is determined, SCAG makes an adjustment to allow for a sufficient number of units needed for normal vacancies and replacement of units that were demolished or converted to other uses. The vacancy and demolition rates are average rates for the San Bernardino Association of Governments.

After construction need is determined, SCAG applies a "fair share" formula to determine the number of housing units to be affordable at different income levels. The fair share calculation is performed to meet the State's mandate to reduce the disproportionate concentration of lower income households in any one community and ensure that each city shares in the region's need for affordable housing.

The existing income distribution of a community determines its fair share adjustment. SCAG uses the 1990 Census data on household income to assign households to four state mandated income groups based upon the household income as a percentage of the regional median. The four income groups are very low income (defined as below 50% of the County median), low (51-80%), moderate (81-120%), and upper (121% and more).

SCAG's existing need statement shows that Chino's income distribution is higher than the regional average, but their share of lower income households was within 10% of the average for the SCAG region. For RHNA purposes, Chino is considered an average impact city given an impact adjustment of 25%. This adjustment moves their planning goals 25% closer to the regional average.

Based on these factors, Chino's future need allocation is as follows:

- 375 units affordable for very low income households
- 292 units affordable for low income households
- 418 units affordable for moderate income households
- 1,050 units affordable for upper income households

7. Inventory of Assisted Units

Chino currently has a broad array of housing opportunities for lower income households. Housing is available through public housing, rent control of mobile-homes, senior citizen complexes, as well as Section 8 rental subsidies.

Chino currently has two public housing projects funded through the County of San Bernardino's Housing Authority. The projects are the Monte Vista and Benson Street housing projects. These projects have 70 affordable units for low income households. Of this total, 44 are 3-bedroom units, 18 are 2-bedroom units, and 8 are 1-bedroom units. There are currently no vacancies and the waiting list is estimated at over 500 households. Public housing is considered as permanent affordable housing.

Chino also has a rent stabilization ordinance covering its five mobile-home parks with a total of 577 housing units. These affordable housing units are currently exempt from the Costa-Hawkins bill that allows the decontrol of rent upon vacation of units by tenants.

Because of this exemption status, these units are considered to be a permanent source of affordable housing. Currently, the primary occupants of the mobile-home parks are seniors.

The third type of affordable housing units is subsidized under the federal project-based Section 8 rental assistance program. Chino has two projects that maintain Section 8 contracts with HUD for a total of 124 units. There are approximately 67 households on the waiting list. Section 8 contracts on both of these projects expire in 2003.

Lastly, the City recently completed the construction of a new senior apartment complex located in the downtown core. The complex has 16 two-bedroom units and 88 one-bedroom units. Rents range from \$400 to \$580 per unit. Occupancy of 63 units is restricted to persons 55 and older who qualify under City low income guidelines. No other publicly assisted housing is located in Chino.

Chart 25: Assisted Multifamily Housing

Type of Housing	Project Name and Address	Number of Affordable Units	Source of Assistance
Seniors	Seasons Senior Villas 195 W. Central	104 Seniors	Redevelopment Agency 20% set-aside
Public Housing	Monte Vista Housing Benson Street	70 Units – Families	San Bernardino County Housing Authority
Rent Control	Five Locations for Mobilehomes	577 Units	Rent Control
Section 8	Steelworkers Oldtimers Vista Park Chino	84 units - elderly disabled 40 units - family	Section 202/811, Section 8 Section 221d4, Section 8

Conversion Analysis

State Housing Element law requires all cities to prepare an inventory of assisted multifamily rental units which are eligible to convert to non-low income uses. The conversion could be due to termination of subsidy contracts, mortgage prepayment, or expiring use restrictions. The period of analysis is from July 2000 to June 2010.

Currently, Chino has the two multi-family projects that are at-risk of conversion during the planning period.

Vista Park Chino is a 40-unit complex for low income families. The project maintains a project-based Section 8 contract with HUD. Vista Park is financed with a market rate loan under HUD's Section 221(d)(4) program. Since the project's mortgage is not subsidized, there are no binding low income use restrictions. Affordability of the units is controlled by the Section 8 contract which expires in 2003. Discussion with the property management for Vista Park Chino indicates that the owner intends to maintain the project as affordable housing unless economic circumstances change substantially.

Steelworkers Oldtimers is an 84-unit complex for elderly and/or disabled persons. This project maintains a project-based Section 8 contract with HUD. The project is financed with a subsidized mortgage under the Section 202/811 program. Nonprofit ownership is required in order to participate in the Section 202/811 program and the project must remain as low income housing for the life of the project. Although this complex cannot be converted to non-low income uses, the Section 8 contract will be expiring and up for renewal in 2003.

Currently, both complexes receive rents and subsidies, when combined, that are well in excess of HUD-determined fair market rents and average market rents for the area.

Fair market rents for the region are \$489 for a one-bedroom unit, \$597 for a two-bedroom unit, and \$829 for a three-bedroom unit. Actual market rents are slightly higher at \$595 for a one bedroom unit, \$705 for a two-bedroom unit, and \$945 for a three-bedroom unit.

In comparison, Vista Park currently receives \$770 for a two-bedroom unit and \$1,069 for a three-bedroom unit. Steelworkers Oldtimers receives \$1,032 for a one-bedroom unit. In either case, both complexes are receiving well in excess of the fair and actual market rents.

Because Steelworkers Oldtimers must remain as low income housing and Vista Park receives higher rents than under current market conditions, they have an excellent incentive to renew their Section 8 contracts.

Preservation Cost

As discussed earlier, both apartment complexes currently receive Section 8 subsidies which provide rent levels that well exceed market rate rents. Steelworkers Oldtimers cannot and Vista Park has little incentive to opt-out of their contracts. However, affordability controls could be lost should the project-based Section 8 program be terminated through Federal legislation. Because of this possibility, the cost of preserving units should Section 8 be terminated is addressed.

Should the Section 8 program be terminated voluntarily or involuntarily, the City would face the prospect of providing incentives for property owners to maintain the affordability controls. At minimum, this would likely require that property owners receive at least fair market rents for the units. At maximum, this may require replacing subsidies provided by the current Section 8 programs.

The amount of rental subsidy that would potentially be required to ensure continued Section 8 participation is determined by

comparing the average rent paid by tenants in each complex to the HUD-determined fair market rent. Tenant rent paid is determined by calculating the maximum amount that a very low income household could afford to pay. This is calculated by using HUD's threshold of 30% of household income as adjusted for different family sizes.

Chart 26 calculates that an annual subsidy of \$165,000 is needed to match the difference between the fair market rents for the area and the amount of rent that a tenant could reasonably afford to pay.

Another option for preserving the at risk units is to purchase an affordability covenant to be placed on the units. This option applies only to Vista Park since Steelworkers Oldtimers must remain as affordable housing. A lump sum grant or loan may be provided to the property owner for rehabilitation or improvements in exchange for affordability control.

With regard to Steelworkers Oldtimers, an alternative is to restructure the remaining mortgage on the Section 202/811 loan in such a way that affordable rents from tenants alone can support operating expenses and mortgage payments, and monthly rent subsidies would no longer be needed.

Replacement Costs

Because the physical units in Steelworkers Oldtimers are not at risk, replacement is not a reasonable option to preserve affordability for the existing tenants. However, should the owner of Vista Park decide to opt out of Section 8, an option to continue assisting the existing tenants is through the purchase of existing units and deed-restrict those units as long-term affordable housing. Based on the Vista Park's income-earning potential, its market value is roughly estimated at \$4 million.

Alternatively, new units may be constructed and deed-restricted as affordable housing for low income uses. Given that the average construction cost is at least \$45 per square foot, excluding garage and site improvements, construction costs would likely amount to \$40,000 to \$50,000 per multi-family unit. All costs considered, replacing the 40-unit Vista Park with new units would probably be more expensive than providing continued assistance to the existing tenants in Vista Park.

Chart 26: Rent Subsidies Required

Unit Size	At-Risk Units	Est. ¹ Tenant Income	Est. Rent ² Paid	Fair Market Rent	Monthly Subsidy ³	Annual Subsidy
1- bedroom	84	\$16,500	\$413	\$489	\$ 77	\$77,112
2- bedroom	20	\$18,900	\$473	\$597	\$ 125	\$29,880
3- bedroom	20	\$23,600	\$590	\$829	\$ 239	\$57,360
Total	124					\$ 164,352

Notes:

Occupancy is assumed to 1 person/1 bed unit; 3 persons/2 bed unit; 4 persons/3-bed unit.

1) Income limits are based on very low income households adjusted for family size.

2) Estimated rent paid is calculated at 30% of HUD's M.F.I for a very low income household.

3) Subsidy amount is the difference between fair market rent and what tenant can afford to pay.

Resource Options

As mentioned before, one way to preserve the affordability of these at-risk units is to provide rent subsidies should the HUD-funded Section 8 contracted be discontinued. Tenant-based rent subsidies are eligible activities for redevelopment housing set-aside and CDBG funds. Furthermore, the City applies to the State HCD for HOME funds to support its First-Time Homebuyer Program. If needed, the City may apply for HOME funds to provide rent subsidies in replacement of the Section 8 assistance.

However the most appropriate option is to assist the owner to process a financial restructuring under Mark-to-Market or Mark-up-to Market programs offered by HUD to help preserve the at-risk units and reduce the amount of rent subsidies required. These two programs evaluate the current subsidized rent levels in comparison to fair market (FMR) and open market rents and determine the most cost-efficient financial structure for the subsidized projects in order to maintain the affordability of the units. Projects with subsidized rent levels higher than the FMRs are eligible for the Mark-to-Market program. Projects with subsidized rent levels significantly lower than the open market rents are eligible for the Mark-up-to-Market program. The Housing Plan section of this Element includes a program and objectives to assist the owner through the Mark-to-Market or Mark-up-to-Market process as needed,

If preservation of these units is not feasible, the City may need to replenish its affordable housing stock through new construction or acquisition/rehabilitation. Redevelopment set-aside or new HOME funds may be used to support new construction of affordable housing,

3. HOUSING CONSTRAINTS

Various factors can constrain the development, maintenance, and improvement of the Chino housing stock. These include market factors, government policies and regulations, as well as environmental constraints.

A. Market Constraints

High land costs, construction costs, and market financing contribute to the cost of the maintenance, improvement, and development of housing. Each of the cost components is described.

1. Construction and Land Costs

A major cost in the construction of a new housing unit is building materials. According to the Construction Industry Research Board, building materials can account for 40% to 50% of the sales price of a new home. However, cities have little to no control over building material costs, since they are largely a function of supply and demand.

Construction costs for a single-family home can vary depending on the quality of improvements, landscaping, or other amenities. Marshall and Swift Company provided cost estimates for a single-family residence of average quality with three bedrooms, two bathrooms, wood frame construction with an attached two car garage. They estimated that construction costs would be approximately \$55 per square foot. This excludes site improvements, such as driveways, walks, and landscaping.

Construction costs for multifamily housing varies substantially depending on the type of development, whether underground parking is provided, the number of stories, or the type and quality of amenities provided. Marshall and Swift Company provided estimates for a Low Rise Class D Apartment with frame and stucco exterior and 28 one- and two-bedroom units costs. Based on these specifications, the apartment would cost approximately \$45 per square foot. This cost estimate excludes elevators, garages, or site improvements.

In addition to construction costs, land costs are also a major factor in determining the cost of new housing. A survey of developers and realtors in the Chino area indicated that the average cost for a single-family lot is \$35,000. Land cost for finished lots varies according to amount of land per residential unit as well as location and terrain. In the land acquisition and subdivision stage, however, wide differences in land cost depend largely on whether the site is served by existing infrastructure or whether the area is open space which will require infrastructure improvements as part of the development costs.

Construction costs are market-driven; the City is constrained in exerting much influence over such costs. However, Chino could allow larger scale construction of units to capture economies of scale, and theoretically a corresponding reduction in housing costs. This type of cost reduction is of particular benefit when density bonuses are used in providing affordable housing. The City could also waive select development standards that reduce construction costs, but which do not materially impact quality of life. Developers also have several options to lower the cost of construction. A reduction in amenities could potentially lower the final sales prices of a home.

2. Home Investment Financing

The availability of financing affects a person's ability to purchase a home or make improvements to their home. Under the Home Mortgage Disclosure Act (HMDA), lending institutions must disclose the disposition of loans. This applies to loans for home purchases and improvements, whether financed at market rate or through government assistance. Chart 27 shows the disposition of applications submitted for home purchases and improvements.

Home Purchase Loans: Chino has a relatively high demand for home purchase financing through either conventional or government financing. In 1997, nearly 1,200 households applied for home purchase financing. Most applications were submitted by moderate to upper income households. The origination rate was 58% for conventional loans and 80% for government-assisted loans. (An originated loan is one approved by the lender and accepted by the applicant.)

Loan origination rates often vary by household income. For conventional home purchase loans, the origination rate rose from 45% for very low income households to 63% for upper income households. Government-assisted financing showed higher origination rates across the various income levels. Nevertheless, lower and moderate income households still exhibited more difficulty in obtaining home purchase financing.

Home Improvement Loans: In 1997, 538 households applied for home improvement loans, 67% of which applied for conventional improvement loans, while 33% applied for government-assisted loans. Again, the majority of loan applicants were moderate-income and upper income households. The origination rate was 43% for conventional loans and 23% for government-assisted loans. Overall, home improvement loans are more difficult to obtain than home purchase loans for households of all income levels.

Chart 27: Disposition of Home Purchase and Improvement Loans

Applicant Income	Conventional Loans				Government-Assisted Loans			
	Total Applied	% Originated	% Denied	% Other	Total Applied	% Originated	% Denied	% Other
Home Purchase Loans								
Very Low	22	45%	18%	36%	22	64%	9%	27%
Low	69	55%	26%	19%	95	84%	7%	18%
Moderate	191	51%	23%	26%	204	81%	6%	12%
Upper	378	63%	20%	17%	162	79%	11%	10%
Not Available	41	46%	12%	41%	25	76%	8%	16%
Total	701	58%	21%	21%	508	80%	8%	12%
Home Improvement Loans								
Very Low	14	29%	43%	29%	7	29%	57%	14%
Low	40	15%	65%	20%	15	20%	53%	27%
Moderate	88	38%	34%	28%	48	17%	46%	38%
Upper	219	51%	24%	25%	103	28%	38%	34%
Not Available	0	0%	0%	0%	4	0%	75%	25%
Total	361	43%	32%	25%	177	24%	43%	33%

Source: Home Mortgage Disclosure Act (HMDA) data, 1997

* "Other" represents loan applications that were approved but not accepted by the applicant, or that were files closed for incompleteness, or were applications withdrawn.

B. Governmental Constraints

Aside from market factors, local policies can impact the price and availability of housing. Land use controls, residential development standards, fees and exactions, permit processing procedures, and other actions may constrain the development, maintenance, and improvement of housing.

1. Land Use Controls

The Land Use Element of the General Plan sets forth policies for guiding the amount and type of local development and growth. Taken together with existing zoning regulations, these policies establish the various types, intensity, and standards for land uses in Chino. The Chino Land Use Element provides for the following six residential zones each with the associated zoning designations:

- ▶ Very Low Density (RD1 & RD2)
- ▶ Lower Density (RD 4.5 & RD 4.5A)
- ▶ Medium Density (RD 8)
- ▶ Moderate Density (RD 12)
- ▶ Moderate-High (RD14)
- ▶ High Density (RD 20)

Chino also has two special district zones for residential development that allow flexible building standards in order to improve quality of life and address specific site constraints, such as parking, traffic or adjacent uses. The two land use designations are the Planned Development Overlay and the Central Avenue Specific Plan area. Also, the RD 4.5A district allows two homes per lot.

Planned Development Overlay

The Chino Zoning Ordinance provides for a Planned Development (PD) Overlay to facilitate development by permitting certain deviations from the standards established for the base zoning. A special conditional use permit is required in order to apply the PD Overlay to a property. Permitted deviations from established base zone standards include:

- ▶ Minimum lot area, width and depth
- ▶ Building setbacks for interior side and rear property lines
- ▶ Encroachment of certain building projections into required front and street side yard setbacks subject to certain criteria
- ▶ Maximum lot coverage
- ▶ Parking setback requirements
- ▶ Direct access to a public street for individual buildings and lots

2. Development Standards

Residential development standards that often determine the number of units that can be constructed on a particular site are

- ▶ Minimum lot area and dimensions
- ▶ Maximum density per acre
- ▶ Maximum lot coverage
- ▶ Height limit
- ▶ Open space
- ▶ Parking

Chart 28 provides a summary of the City's residential development standards.

Lot Standards

Minimum lot size requirements in Chino range from ½ to 1 acre in larger estate areas, to 7,200 - 15,000 square feet for most single-family residential areas, to 10,000 square feet for higher density multifamily areas. Single family lots have modest depth limits, while multifamily lots have no limit on lot depth.

Residential Densities

Maximum density of units ranges from very low density (1 unit per acre) to medium densities (4.5 to 8 units per acre) to higher multifamily densities (12 to 20 units per acre). These density standards are typical for cities in the Chino Valley.

Lot Coverage

Chino allows for a maximum of 60% building coverage in its lower density zones, but no

limitation in its higher density zones. The only proviso for multifamily units is that the minimum living area must be 650 square feet for one- bedroom units and 800 square feet for two-bedroom units.

Height Limits

Height restrictions are not a significant constraint to development. Up to 2.5 stories (35 feet) are allowed for lower density single-family uses and higher density multifamily zones allow up to three stories (45 feet).

Open Space

The use of yard setbacks or open space requirements is one mechanism to ensure that sufficient privacy and open space are afforded to enhance and maintain the quality of life for residential neighborhoods. These requirements mitigate noise from traffic, neighbors, and other noise generating uses that affect the quality of life.

The Zoning Ordinance has also established open space requirements for multifamily housing. Open space requirements include both common and private open space. Overall, the setback and open space requirements are considered typical for residential uses in the Chino Valley and in the west San Bernardino County.

Parking Standards

Chino's Zoning Ordinance requires that all single-family units have a minimum of 2 spaces in a covered garage per dwelling unit. The same general parking requirements apply to other units, such as secondary units and duplexes. Duplexes are allowed to use carport instead of garage parking. Parking standards for single-family homes are considered typical.

Parking requirements for multi-family units are based on the size of the unit. Typically, the minimum requirements average at least one covered garage parking space per bedroom, with additional guest parking. The

garage parking requirement for multifamily housing can increase the cost of housing.

On a case-by-case basis, the City reviews the parking requirements as a potential constraint to development and allows for reductions in parking requirements in order to facilitate housing development. For example, three recent senior housing projects in the City were developed with reduced parking standards and tree requirements.

Density Bonus

State law requires the provision of certain incentives for residential development projects that set-aside a certain portion of the units to be affordable to lower income households. The City implements State law through their density bonus ordinance.

A development project setting aside at least 20% of the units for lower income households, 10% for very low income households, or 50% for qualifying senior citizen residents should receive a 25% density bonus and one regulatory concession.

To obtain a density bonus in Chino, the developer must secure a special conditional use permit for the proposed project. Review of the project is held before the Planning Commission.

3. Growth Control

The remaining governmental constraint that could potentially restrict the development of housing is Measure M, which is a voter-initiated measure. Measure M was passed by voters in November 1988 with the stated purpose of ensuring the quality of the residential environment and the quality of life within Chino, and prevent the increase of land designated for residential uses without the majority approval of Chino residents.

Specifically, Measure M requires that the maximum density of any land designated for residential use shall not exceed the density for such land established by the zoning map

and zoning ordinance, or any developer agreements in effect prior to November 8, 1988. The only exception is for construction of senior housing projects. However, the Council retains the authority to reduce the density of residential land.

Measure M also prohibits the conversion of any land designated for a nonresidential use to a residential use, excepting school sites designated in the General Plan or a specific plan, or developer agreements approved by the City Council prior to November 8, 1988. However, the City Council may convert any residential land to any other nonresidential use, and may also change uses among lands designated for nonresidential uses. No redesignation of residential land to nonresidential uses is anticipated.

In assessing the impact of Measure M, it is important to note that Measure M does not alter the land use development potential as permitted under the Chino General Plan. Residential development at the maximum level permitted by the Land Use Element and Zoning can still be accommodated as planned. Furthermore, Measure M does not conflict with the State density bonus law. Residential projects with an affordable housing component meeting the State density bonus requirements will still be eligible for density increases above the maximum density permitted in compliance with state law.

Overall, Measure M does not constrain the ability of Chino to meet its share of the region's housing need assigned by the SCAG. Later sections of this Housing Element show that the City has adequate sites available to meet its overall RHNA planning targets and affordability levels.

Chart 28: Residential Development Standards

Density	Very Low	Low	Medium	Moderate		High	
Districts	RD-1: RD2	RD3	RD 4.5 RD 4.5a	RD 8 SF MF		RD 12	RD20
Lot Standards							
Max. DU/acre	1 to 2	3.0	4.5	8	8	12	20
Min. Lot Area sf unless noted	20,000 - 1 acre	15,000	7,200 - 16,000	4,500	10,000	10,000	10,000
Min Lot Width and Depth	100 x 100 100 x 120	100 x 100	60 x 100	50 x 90	80 x na	80 x na	0
Building Standards							
Max. Coverage	25%	40%	60%	60%	60%	none	none
Living Area sf	3,000	3,000	1,200	1,000	650-800	650	800
Max. Height Stories Feet	2.5 35 ft.	2.5 35 ft.	2.5 35 ft.	2.5 35 ft.	2.5 35 ft.	2.5 35 ft.	3.0 45 ft.
Open Space							
Setbacks							
– Front Yard	25 ft	25 ft	25 ft	20 ft	25 ft	25 ft	25 ft
– Rear Yard	25 ft	25 ft	10 ft	15 ft	15 ft	15 ft	15 ft
– Interior Side	10 ft	10 ft	5/10 ft	10/ 5ft	15 ft	15 ft	15 ft
– Street Side	15 ft	15 ft	15 ft	10 ft	25 ft	25 ft	25 ft
Landscaping Min. Coverage Trees	5/7 Per lot	4 Per lot	3-4/Lot	2/Lot	40% 40/Acre	40% 40/Acre	40% 40/Acre
Parking Standards							
Single-Family	2 covered spaces in garage per unit						
Multifamily	Studios - 1 covered space within a garage per unit 1 bed - 1.5 covered spaces within a garage per unit 2 bed- 2.0 covered spaces within a garage per unit 3+ bed - 2 covered spaces within garage per unit Multifamily units must have one uncovered guest space per 10 units.						

4. Provision for a Variety of Housing Opportunities

Housing Element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of housing for all economic segments of the community. These include multifamily rental housing, factory-built housing, mobile-homes, emergency and transitional housing.

Chart 29 summarizes housing types permitted in Chino. City staff has indicated that a substantial portion of the City's housing stock contains alternative housing arrangements which target special needs groups. These include 577 rent-stabilized mobile homes, four group quarter

facilities, fourteen residential care facilities, two public housing projects, and several assisted multifamily housing projects. Secondary units and granny flats are also allowed throughout Chino, although they are allowed to be rented at market levels.

The City permits a variety of housing types either by right or conditionally through the Conditional Use Permit process in residentially designated zones. In addition, group homes and facilities are conditionally permitted in the CG (General Commercial) zone. Residential care facilities for 7 or more persons are conditionally permitted in the CG and AP (Administrative/ Professional Office) zones.

Chart 29: Permitted Residential Uses

Housing Types	A	RD1	RD 2	RD 3	RD 4.5	RD 8	RD 12	RD20
Duplex	NP	NP	NP	NP	P*	P*	P*	P*
Single-Family	P*	P*	P*	P*	P*	P*	NP	NP
Multifamily	NP	NP	NP	NP	NP	P*	P*	P*
Secondary Unit	C*	C*	C*	C*	C*	C*	NP	NP
Mobile Homes	NP	NP	NP	C*	C*	C*	C*	C*
Congregate Care	NP	C*	C*	C*	C*	C*	C*	C*
Senior Housing	P*	P*	P*	P*	P*	P*	P*	P*
Senior Secondary	A*	A*	A*	A*	A*	A*	NP	NP
Residential Care (1-6 persons)	NP	P*	P*	P*	P*	P*	P*	P*
Residential Care (7+ persons)**	NP	NP	NP	NP	NP	NP	NP	NP
Group Homes and Facilities**	NP	NP	NP	NP	NP			

P = Permitted; NP = Not Permitted; C = Conditional Use Permit; A = Administrative Permit;

* = Subject to operating conditions. Mobile homes include Manufactured and Factory Built.

** = Conditionally permitted in the CG (General Commercial) zone. Residential care facilities for 7 or more persons are conditionally permitted in the CG (General Commercial) and AP (Administrative/ Professional Office) zones.

Note: Operational conditions for residential care facilities (six or fewer persons) specify the definition of such facilities consistent with that provided by the State Department of Social Services. No other operational conditions are applicable.

Planning and Development Fees

State law authorizes cities to charge user fees to recover the cost of development-related services as well as impact fees to offset the additional cost of city services for new development. Development fees are often cited as a constraint to housing investment because they ultimately raise both the cost of development and housing.

Assessing whether a city fee or tax is a constraint to housing development is difficult given that each developer has a different threshold for absorbing the extra cost. However, two general rules of thumb apply: first, whether the fee is reasonably related to service costs or the development impact; and second, whether the fee is reasonable in comparison to surrounding cities. If either criteria is not met, developers may choose to build housing in other communities or the housing built will not be affordable.

State law requires that locally imposed fees and taxes must not exceed the estimated reasonable costs of providing the service. Furthermore, State law also requires that impact fees must have a substantial nexus to the development and that the dedication of land or fees be proportional to its impact. Like all cities, Chino is required to abide by State law with respect to fees and exactions.

Each community differs in its ability to accommodate additional demands on its infrastructure system. Therefore residential development impact fees will differ depending on the community. In the same manner, each community has different abilities and capacities to provide internal planning services to the development community. Therefore, it is expected that service fees may vary substantially among communities.

Some of the most common residential development fees are shown below. Building permit fees are not shown because the amounts charged are regulated by State law.

- Development Agreement – at cost
- Environmental Assessment – \$915
- General Plan Amendment – \$3,845
- Special Conditional Use Permit – \$1,611
- Specific Plan Amendment - \$4,242
- Tentative Parcel Map – \$4,470
- Tentative Tract Map - \$5,980
- Variance – \$2,590
- Zone change – \$4,035
- Planning Commission appeals – \$1,870
- Zoning Ordinance Amendment - \$2,625

In 1997, a survey of development impact fees was conducted for selected cities in San Bernardino County. The survey was based on two developments: 1) an average single-family home zoned at 4.5 units per acre, with three bedrooms, 1,500 square feet with a 3/4 or one inch water meter and 500 square foot garage; and 2) an average multi-family unit zoned at 14.5 units per acre, two bedrooms, 1,100 square feet with a 3/4 or one-inch water meter and a 400-square foot garage.

The results of the survey are presented in Chart 30. Among the eight cities surveyed, Chino ranked in the middle on fees for single-family and multi-family developments. Chino's residential development impact fees appear within the range of communities within the same housing market; they are not considered a significant constraint to the development of housing.

Chart 30: Comparison of Residential Impact Fees Per Unit

	Chino	Rialto	Ontario	San Bernardino	Upland	Redlands	Loma Linda	Rancho Cucamonga
Single-Family (4.5 units per acre)								
Streets/Signals	\$1,169	\$230	----	\$905	\$1,327	\$1,610	\$153	\$1,710
Police	\$349	\$488	----	----	----	\$655	----	----
Fire Protect	\$139	\$308	\$475	----	----	\$273	\$182	----
Gen. Facilities	\$408	\$307	----	----	----	\$1,591	\$189	----
Storm Drains	\$954	\$1,362	\$2,145	\$1,596	\$1,112	\$863	\$1,778	\$2,633
Sewer Collect	\$209	\$654	\$95	\$799	\$466	----	\$891	\$275
Wastewater	\$3,350	\$1,071	\$3,350	\$3,130	\$3,350	\$3,600	\$3,130	\$3,350
Water Supply	\$465	\$2,182	\$240	\$2,217	\$256	\$4,320	\$4,700	\$3,825
Open Space	----	\$536	----	----	----	----	----	----
Park Develop	\$3,059	\$2,464	\$810	\$1,061	\$2,160	\$1,281	\$1,910	\$3,066
Total	\$10,102	\$9,602	\$7,115	\$9,708	\$8,671	\$14,193	\$12,933	\$14,859
Multi-Family (14.5 units per acre)								
Streets/Signals	\$376	\$140	----	\$98	\$932	\$981	\$126	\$1,026
Police	\$112	\$157	----	----	----	\$655	----	----
Fire Protection	\$45	\$116	\$475	----	----	\$230	\$134	----
Gen. Facilities	\$131	\$99	----	----	----	\$1,591	\$139	----
Storm Drains	\$307	\$486	\$691	\$675	\$860	\$403	\$572	\$846
Sewer Collect.	\$67	\$465	\$95	\$597	\$466	----	\$891	\$192
Wastewater	\$3,350	\$762	\$3,350	\$2,348	\$3,350	\$3,600	\$2,348	\$3,350
Water Supply	\$249	\$2,182	\$169	\$2,217	\$100	\$2,160	\$4,338	\$1,575
Open Space	----	\$172	----	----	----	----	----	----
Park Develop	\$2,377	\$1,967	\$702	\$652	\$2,160	\$1,000	\$1,409	\$1,804
Total	\$7,014	\$6,546	\$5,482	\$6,587	\$7,868	\$10,620	\$9,957	\$8,793

Source: Comparison of Development Impact Fees, Willdan Associates, 1997.

6. Development Permit Procedures

Development procedures can, in some cases, constrain housing investment. Development procedures may increase the time and uncertainty in gaining development approval to a point where the processing costs would render the project uneconomical, or the complexity and length of the process discourages most developers. This section outlines the permit process in Chino.

Development Review Committee: All proposed development projects are subject to an initial plan review process. After initial submittal of the application, a meeting is scheduled with the Development Review Committee to review the application. The Committee consists of representatives from city departments, such as planning, building, fire, and police. The meeting is scheduled 3 ½ weeks from the initial application submittal. The purpose of the Committee is to address any initial concerns and help eliminate unnecessary delays that would occur later in the permit process.

Planning Commission Review: The third phase of the application review process is to send the application to the Planning Commission for hearing and approval of any discretionary permits. The Planning Commission meeting is held within four weeks after approval by the 2nd Development Committee Review.

Plan Check/Permit Issuance: Once the project receives approvals from the necessary Committees, the project is moved through the plan review stage. This involves verification of all building, fire, mechanical, plumbing, electrical, and health codes requirements are fulfilled in compliance with Chino's codes. The time frames vary with the size, complexity, and location of the project. Generally, the maximum time frame is one month.

Building and Occupancy Permit. Once the plan check process is complete, the applicant secures a building permit. After construction

and the final inspection phase is completed, the developer needs to secure an occupancy permit and pay the appropriate fees prior to occupancy.

C. Financial Constraints

Annually, the City has access to approximately \$700,000 in Community Development Block Grants (CDBG) and \$750,000 in redevelopment housing set-aside funds. These are the City's only reliable sources of funding for providing and preserving affordable housing in the City. In the past, the City has applied to the State Department of Housing and Community Development (HCD) for HOME funds to support the first-time homebuyer assistance program. However, according to HCD, the focus of HOME fund allocations shifted to rural areas for FY 2001 and the City's application was not funded. In the future, the City will continue to pursue HOME funds for the development of affordable housing opportunities.

Limited access to financial resources is a major constraining factor for most communities working to provide affordable housing. The reality in most California communities is that some form of public subsidy is required for the development of housing affordable to lower income households. According to proformas prepared by an experienced developer, an average per unit subsidy of \$10,000 to \$15,000 would be required to achieve an affordable mixed income project in Chino with 30% low income units. Consistent with this estimate, the City provided an average per unit subsidy of \$50,000 for the development of a senior housing project with 60% lower income units.

Assuming an average subsidy of \$40,000 per unit, the City or the private for-profit and non-profit developers will need to have access to over \$24 million in public funds to subsidize the development of over 600 lower income units remaining in the City's share of regional

housing growth (described in Section 4). While the City provides for adequate sites to facilitate the development of lower income housing, and the level of subsidies required is reasonable in the southern California housing market, the limited access to funding remains a major obstacle to providing housing affordable to lower income households. The City has included in Section 6, Housing Plan, of the Element, program actions to pursue additional housing funds.

4. HOUSING RESOURCES

The resources available for development, rehabilitation, and preservation of housing in Chino are described and assessed here. This section begins with an overview of the availability of land resources or residential sites for future housing development and an evaluation of the City's ability to satisfy its future housing needs. The financial resources available to support affordable housing and energy conservation opportunities are also discussed.

A. Land Resources

Vacant Land

An important component of Chino's Housing Element is the identification of sites for future housing development, and evaluation of the adequacy of those sites in fulfilling the City's share of regional housing needs as determined by SCAG. Chart 31 shows residential development potential by General Plan land use category. In addition, Map 4 identifies the location of vacant sites that are available for residential development.

Chino's potential for residential development is primarily located in the East Chino Specific Plan area. This area contains a mix of low to high density residential sites that are suitable for residential development. Based on a parcel-by-parcel review of vacant sites in the City, currently 345 acres are vacant and zoned for residential development (Chart 31), 250 acres of which are located in the East Chino Specific Plan area. Three vacant properties within the East Chino Specific Plan area ranging in size from 7 to 24.5 acres are designated for multi-family development. Within the East Chino Specific Plan, sites designated for RD-14 and RD-20 are intended for multi-family residential development. Single-family residential development are not permitted in these areas. The City of Chino Zoning Ordinance also specifies that the RD-20 zone is

intended as a high-density residential district for the development of multi-family residential dwellings. To facilitate affordable housing development, the City has included an objective under Action A4-3.1.1 (Land Use Element and Zoning Ordinance) in Section 5, Housing Plan, of this Element to amend the General Plan, Zoning Ordinance, and East Chino Specific Plan to permit only multi-family residential development in the RD-14 and RD-20 zones.

In addition, the Downtown/Civic Center Master Plan area permits mixed use residential development of up to 20 units per acre. The City identifies a total of six acres within this area where the mixed use development potential may be applied. Of the six acres identified, only 1.5 acres are vacant and another 4.5 acres are occupied by underutilized, marginal retail uses.

Based upon existing General Land and Zoning designations, there is a potential for approximately 2,269 new housing units within the incorporated limits of the City. Specifically, 1,711 units can be accommodated within the East Chino Specific Plan area. All of the vacant multi-family residential properties in the City are of adequate size to facilitate development.

Underutilized Land

The City's housing stock is quite new. While there are some underutilized properties in the City, based on their conditions they are mostly not ripe for redevelopment within the time frame of this housing element. However, as mentioned above, a few underutilized, marginal retail uses in the Downtown/Civic Center Master Plan area may be recycled to mixed use residential development. The City has included Action A4-3.2.2 (Mixed Use Development) to facilitate the development of residential uses in this area.

Redesignation of Commercial Land

Large pieces of vacant land exist along North Central Avenue, between Philadelphia Street and Phillips Street, within the Central Avenue Specific Plan area. These properties are designated CG (General Commercial) and intended for the development of commercial uses that serve both Chino and its surrounding areas. However, these properties have remained vacant for years; the City has not received any worthwhile development proposals since adoption of the Specific Plan. To promote the efficient use of land, address community housing needs, and improve the City's fiscal outlook, the City is in the process of issuing a Request for Proposal (RFP) to study the redesignation of this land for high density residential uses. The RFP identifies a total of 18 properties ranging in size from 0.55 acre to 9.17 acres and totaling 51 acres of excess commercial land.

Redesignation of these commercial properties for residential uses will trigger Measure M. The City will educate the public regarding the need for affordable housing for working families and the benefits of creating viable neighborhoods in the Central Avenue Specific Plan area.

Sphere of Influence

The City has two large areas in its Sphere of Influence with uncommitted land uses: the 1,810-acre West SOI Area and the 5,450-acre East SOI. Each area has significant geological and topographical issues which constrain housing development. The West SOI area was recently annexed by the City in June 1999 but has no residential zoning. Meanwhile, the East SOI area is being studied for annexation; however, no plan or timeframe has been prepared to date.

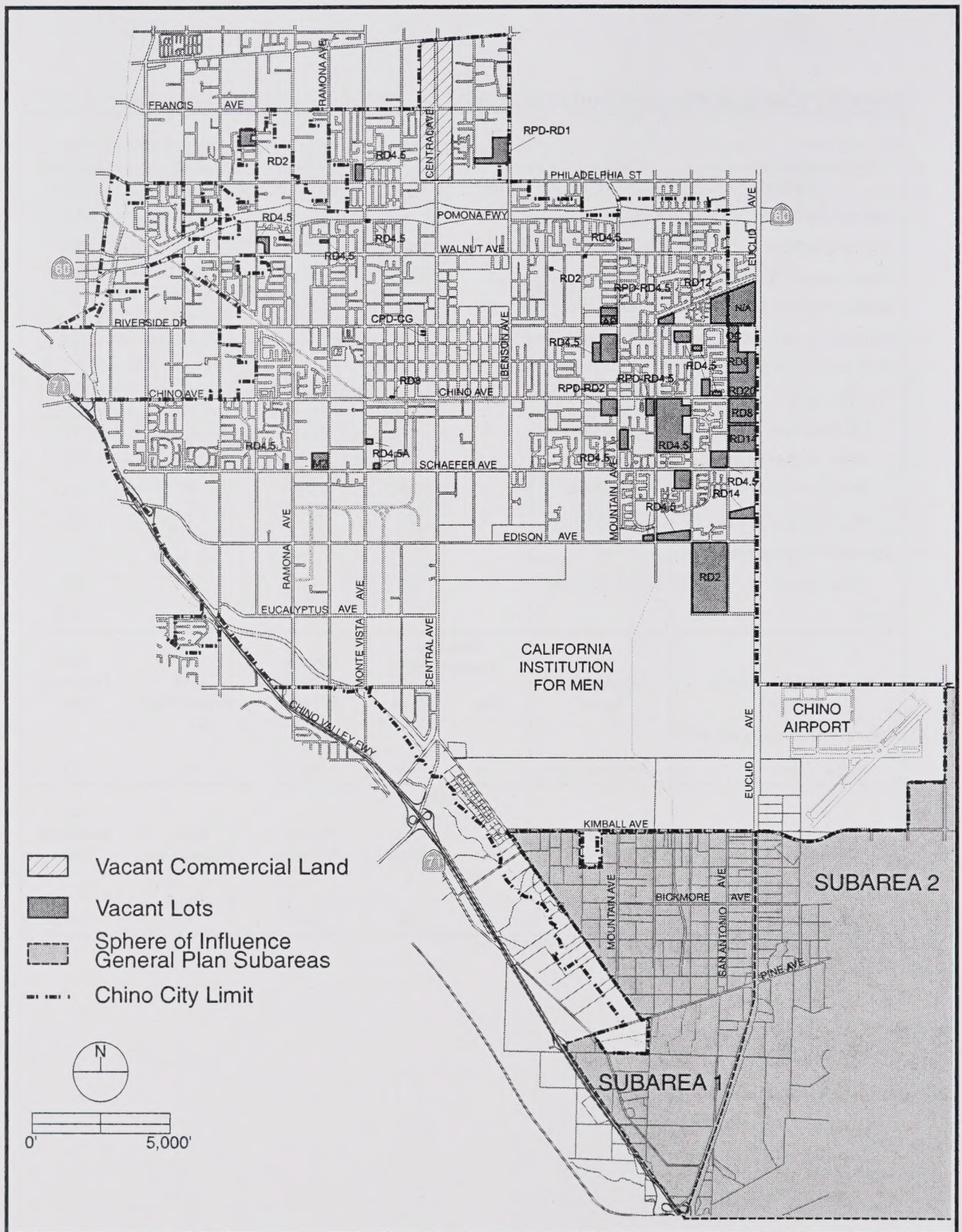
Chart 31: Residential Development Potential

Residential Land Use District	Affordability Level	Density (units/acre)		Vacant Acreage	# of Properties	Net Dwelling Units
		Min.	Max.			
Agricultural RD-1	Upper	---	1	15.5	1	15
Agricultural RD-2	Upper	1	2	15.5	2	31
Lower Density RD-4.5	Upper	3	4.5	45.7	15	206
Medium Density RD-8	Moderate	4.5	8	0.2	1	2
Medium High RD-12	Moderate	8	12	17.8	2	184
East Chino Specific Plan						
Agricultural RD-2	Upper	1	2	74.6	1	149
Lower Density RD-4.5	Upper	3	4.5	88.6	8	399
Medium Density RD-8	Moderate	4.5	8	34.8	2	278
Specific Plan RD-14	Moderate	---	14	28.2	2	395
High Density RD-20	Low/Very Low	14	20	24.5	1	490
Downtown/Civic Center MP						
Mixed Use	Low/Very Low	14	20	1.5	2	30
Total				346.9	37	2,179

Residential Land Use District	Affordability Level	Density (units/acre)		Under-utilized Acreage	# of Properties	Net Dwelling Units
		Min.	Max.			
Downtown/Civic Center MP						
Mixed Use	Low/Very Low	14	20	4.5	4	90

Redesignation of Commercial Land	Affordability Level	Density (units/acre)		Vacant Acreage	# of Properties	Net Dwelling Units
		Min.	Max.			
Central Avenue SP						
High Density RD-20	Low/Very Low	14	20	51.0	18	1,020

Sources: Willdan Associates and Cotton/Bridges/Associates.



Source: Willdan Associates

Map 4
Vacant Lots by Zoning Category

Comparison of Sites with the RHNA

According to SCAG, Chino's share of the region's housing need from 1998 through 2005 is 2,135 units. Of this total, 375 units should be affordable to very low income households, 292 units should be affordable to other low income households, 418 units should be affordable to moderate income households, and 1,050 units for upper income households.

In determining Chino's actual housing unit allocation for the July 2000 - June 2005 Housing Element, HCD allows cities to secure credits against their RHNA planning goals. One way is to subtract the number of housing units constructed and issued certificates of occupancy between January 1, 1998 and June 30, 2000. Another way to meet the RHNA is to document the number of units unfit for habitation pursuant to AB438, which have or will be substantially rehabilitated. However, the practical and statutory restrictions on this option preclude its use.

City staff indicates that 203 single-family homes have been constructed since January 1, 1998. According to the housing costs and affordability comparison shown in the needs assessment (Charts 23 and 24), the median price of a two-bedroom single-family home or townhome is affordable to small moderate income households, and the median price of a three-bedroom single-family home or townhome is affordable to large moderate income households. Thus, 25% of the 203 units were conservatively assumed to be affordable to moderate income households, with the remaining units assuming to be affordable to upper income households.

In addition, the City built a 104-unit senior citizens project for senior households. Among the 104 units, 21 units are deed-restricted for very low income seniors and 42 units for low income seniors. The remaining 41 units are offered at market rates. Based on the unit size and type of housing, these 41 market rate units can be assumed to be affordable to moderate income seniors.

In addition, the developer of an existing senior housing development proposes to expand the project by building 60 new senior units on the property. The property is zoned for CG (General Commercial). Due to Measure M, this proposal requires voter approval. The developer introduced a ballot measure in the March 2001 election and was successful in obtaining voter approval for the expansion. Based on the developer's interest in receiving financial and/or development incentives for this project, a portion of the units will likely be deed-restricted for low and very low income seniors. Conservatively, the City assumes that only half of the units would be deed-restricted for lower income seniors.

Therefore, Chino's upper income allocation is reduced from 1,050 to 897 housing units, the moderate income target is reduced to 297 units, and the lower income target is reduced to 574 units.

In order to satisfy State Housing Element law requirements, communities are required to show that there is a sufficient amount of land available to support residential development. As shown in the Constraints section of this Housing Element, land costs are typically one of the highest costs in building new homes. However, potential "per-unit" land costs vary considerably depending on how many units are constructed on a particular site. Thus, higher density lots typically have a lower "per unit" cost. Based on these assumptions, different density levels can be used to estimate the likely cost of housing construction and therefore the affordability of a particular housing unit.

Chart 32 provides a comparison of the City's RHNA with the amount of development potential that is possible on vacant and underutilized land, as well as on vacant commercial zone identified for rezoning. Different zoning designations are cross-classified against the four affordability levels established by SCAG and State law. Based on the analysis below, the City has sufficient land to meet its total RHNA, including the lower income housing needs.

A recently approved development project in the City calls for development of small lot single-family homes at a density of nine units per acre. According to the developer, these homes will be offered at prices ranging from \$150,000 to \$180,000, which would be affordable to moderate income households. Some minor modifications to development standards such as garage and driveway locations are required for this development; however, no financial assistance is required to subsidize the affordability of these units. Thus, moderate income housing can be developed at a density of about nine units per acre in Chino.

As shown in Chart 31, the City has a total of 26 acres of vacant land zoned at RD-20 or Mixed Use, with the capacity of accommodating 520 new units. When density bonuses are granted for lower income housing projects pursuant to state law, additional units beyond the 520 units can be accommodated in the RD-20 and Mixed Use zones. Additional lower income units can be achieved on the underutilized mixed use properties and on the commercial land when rezoned to residential uses. The 2000-2005

Chino Housing Element contains a number of programs to facilitate the development of affordable housing for lower and moderate income households, including working families.

The Affordable Housing Development program (Action A4-2.1.2) outlines the City's actions and objectives for pursuing additional funding sources, networking with potential developers, expanding the zoning code to allow apartments in the RD-8 zone, and reviewing multi-family housing development standards.

The Rezone of Commercial Land for Residential Uses program (Action A4-3.1.3) and Mixed Use Development program (Action A4-3.2.2) expand the opportunities where multi-family housing can occur in the City.

The Special Needs Prioritizing program (Action A4-2.2.2) and Development Fees program (Action A4-3.3.1) provide additional incentives for the development of affordable housing.

Chart 32: Comparison of RHNA with Available Vacant Land

Income Level	RHNA	Since 1998		Remaining RHNA	Zoning Designation	Potential Units			
		Units Built	Units Approved			Vacant Land	Under-utilized	Re-zoning	Total
Very Low	375	21	15	339	RD-20/ Mixed Use	520	90	1,020	1,630
Lower	292	42	15	235					
Moderate	418	91	30	297	RD8-12/RD-14	859			859
Upper	1,050	153	0	897	RD1-4.5	800			800
Total	2,135	307	60	1,768	—	2,179	90	1,020	3,289

B. Financing Resources

Chino has access to a variety of funding sources for affordable housing development. They include programs from local, state, federal, and private resources. The key funding sources currently utilized by Chino are described below. Chart 33 identifies potential funding sources available to Chino.

1. Community Development Block Grant (CDBG) Funds

The CDBG program provides funds for a range of community development activities. The program is flexible in that the funds can be used for a range of activities. The eligible activities include, but are not limited to the following: acquisition and/or disposition of real estate or property, public facilities and improvements, relocation, rehabilitation and construction (under certain limitations) of housing, home-ownership assistance, and also clearance activities.

Chino receives approximately \$700,000 annually for housing and community development activities from the CDBG program. In the past, the City has allocated about 20% for program administration, 15% for public services, 15% for public facilities and improvements, 10% for housing, 40% for community and economic development.

2. Redevelopment Housing Set-Aside

State law requires redevelopment agencies to set-aside 20% of all tax increment revenue from redevelopment projects for affordable housing. Set-aside funds must be used for activities which increase, improve, or preserve the supply of affordable housing. Housing developed under this program must remain affordable to the targeted income group for at least 15 years for rentals and 10-years for owned housing. Chino's set-aside contribution is about \$750,000 annually.

3. Section 8 Rental Assistance

The federal Section 8 program provides rental assistance to very low-income persons in need of affordable housing. The Section 8 program offers two types of subsidies: certificates and vouchers. A certificate pays the difference between the fair market rent and what a tenant can afford to pay (e.g. 30% of their income). A voucher allows a tenant to choose housing that may cost above the fair market rent figure, with the tenant paying the extra cost. Chino receives rental assistance for 91 families. Like many jurisdictions, however, the demand for rental assistance is high. The County has a waiting list of 1,600 persons and the average waiting time is several years.

**Chart 33: Public and Private Resources Available for
Housing and Community Development Activities**

Program Name	Description	Eligible Activities
1a. Federal Programs - Formula/Entitlement		
Community Development Block Grant	Grants awarded to the City on a formula basis for housing and community development activities.	• Acquisition • Rehabilitation • Home Buyer Assistance • Economic Development • Homeless Assistance • Public Services
1b. Federal Programs - Competitive		
HOME	Flexible grant program administered by the State Department of Housing and Community Development. Grants are awarded on a competitive basis.	• Acquisition • Rehabilitation • Home Buyer Assistance • Rental Assistance
Section 8 Rental Assistance Program	Rental assistance payments to owners of private market rate units on behalf of very low income tenants.	• Rental Assistance
Section 202	Grants to non-profit developers of supportive housing for the elderly.	• Acquisition • Rehabilitation • New Construction
Section 811	Grants to non-profit developers of supportive housing for persons with disabilities, including group homes, independent living facilities and intermediate care facilities.	• Acquisition • Rehabilitation • New Construction • Rental Assistance
Section 108 Loan	Provides loan guarantee to CDBG entitlement jurisdictions for pursuing large capital improvement or other projects. The jurisdictions must pledge it to future CDBG allocations for repayment of the loan. Maximum loan amount can be up to five times the entitlement jurisdiction's most recent approved annual allocation. Maximum loan term is 20 years.	• Acquisition • Rehabilitation • Home Buyer Assistance • Economic Development • Homeless Assistance • Public Services
Mortgage Credit Certificate Program	Income tax credits available to first-time homebuyers for the purchase of new or existing single-family housing. Local agencies (County) make certificates available.	• Home Buyer Assistance
Low Income Housing Tax Credit (LIHTC)	Tax credits are available to individuals and corporations that invest in low-income rental housing. Usually, the tax credits are sold to corporations with a high tax liability and the proceeds from the sale are used to create the housing.	• New Construction • Rehabilitation • Acquisition

**Chart 33: Public and Private Resources Available for
Housing and Community Development Activities**

Program Name	Description	Eligible Activities
Shelter Plus Care Program	Grants for rental assistance that are offered with support services to homeless with disabilities. Rental assistance can be: -<u>Section 8 Moderate Rehabilitation (SRO)</u> - project based rental assistance administered by the local PHA with state or local government application. -<u>Sponsor-Based Rental Assistance</u> - provides assistance through an applicant to a private non-profit sponsor who rents or leases dwelling units in which participating residents reside. -<u>Tenant-Based Rental Assistance (TBA)</u> - grants for rental assistance. -<u>Project-Based Rental Assistance</u> - grants to provide rental assistance through contracts between grant recipients and owners of buildings.	• Rental Assistance • Homeless Assistance • Support Services
Supportive Housing Program (SHP)	Grants for development of supportive housing and support services to assist homeless persons in the transition from homelessness.	• Transitional Housing • Permanent Housing for Disabled • Supportive Housing • Support Services • Safe Havens
2. State Programs		
Proposition 1A	Proposition 1A includes provisions to establish a Downpayment Assistance Program and a Rent Assistance Program using school fees collected from affordable housing projects. Potential buyers or tenants of affordable housing projects are eligible to receive downpayment assistance or rent subsidies from the State at amounts equivalent to the school fees paid by the affordable housing developer for that project in question.	• Downpayment Assistance • Rental Assistance
Emergency Shelter Program	Grants awarded to non-profit organizations for shelter support services.	• Support Services
California Housing Finance Agency (CHFA) Multiple Rental Housing Programs.	Below market rate financing offered to builders and developers of multiple-family and elderly rental housing. Tax exempt bonds provide below-market mortgage money.	• New Construction • Rehabilitation • Acquisition of Properties from 20 to 150 units
California Housing Finance Agency Home Mortgage Purchase Program	CHFA sells tax-exempt bonds to make below market loans to first time homebuyers. Program operates through participating lenders who originate loans for CHFA purchase.	• Home Buyer Assistance
California Housing Rehabilitation Program - Owner Component (CHRP-O)	Low interest loans for the rehabilitation of substandard homes owned and occupied by lower-income households. City and non-profits sponsor housing rehabilitation projects.	• Rehabilitation • Repair of Code Violations, Accessibility Improvements, Room Additions, General Property Improvements

Chart 33: Public and Private Resources Available for Housing and Community Development Activities

Program Name	Description	Eligible Activities
3. Local Programs		
Redevelopment Housing Fund	20% of Agency funds are set aside for affordable housing activities governed by state law.	• Acquisition • Rehabilitation • New Construction
Tax Exempt Housing Revenue Bond	The City can support low-income housing developers to obtain bonds in order to construct affordable housing. The City can issue housing revenue bonds requiring the developer to lease a fixed percentage of the units to low income families and maintain rents at a specified below market rate.	• New Construction • Rehabilitation • Acquisition
Tax Exempt Housing Revenue Bonds - Issuance and Annual Administrative Fees	As part of any housing bond issuance or refinancing, the City can charge an issuance fee and annual administration fees for the bond issuance.	• Affordable Housing Programs
4. Private Resources/Financing Programs		
Federal National Mortgage Association (Fannie Mae)	Loan applicants apply to participating lenders for the following programs: • Fixed rate mortgages issued by private mortgage insurers.	• Home Buyer Assistance
	• Mortgages which fund the purchase and rehabilitation of a home.	• Home Buyer Assistance • Rehabilitation
	• Low Down-Payment Mortgages for Single-Family Homes in underserved low-income and minority communities.	• Home Buyer Assistance
Savings Association Mortgage Company Inc. (SAMCO)	Pooling process to fund loans for affordable ownership and rental housing projects. Non-profit and for profit developers contact member institutions.	• New Construction of single family and multiple family rentals, cooperatives, self help housing, homeless shelters, and group homes for the disabled.
California Community Reinvestment Corporation (CCRC)	Non-profit mortgage banking consortium designed to provide long term debt financing for affordable multi-family rental housing. Non-profit and for profit developers contact member banks.	• New Construction • Rehabilitation • Acquisition
Federal Home Loan Bank Affordable Housing Program	Direct Subsidies to non-profit and for-profit developers and public agencies for affordable low income ownership and rental projects.	• New Construction
Freddie Mac	Home Works - Provides 1 st and 2 nd mortgages that include rehabilitation loan. City provides gap financing for rehabilitation component. Households earning up to 80% MFI qualify.	• Home Buyer Assistance combined with Rehabilitation
Lease Purchase Program	The City participates in a Joint Powers Authority that issues tax-exempt bonds. Bonds enable City to purchase homes for households earning up to 140% MFI. JPA pays 3% down and closing costs. Lease purchasers make monthly payments equivalent to mortgage payments with the option to buy after three years.	• Home Buyer Assistance

C. Energy Conservation

Residential energy costs can impact the affordability of housing in that increasing utility costs decreases the amount of income that can be used for rents or mortgage payments. Chino has many opportunities to directly affect energy use within its jurisdiction. Title 24 of the California Administrative Code sets forth mandatory energy standards for new housing development, and requires adoption of an "energy budget".

The following are among the alternative ways to meet these energy standards.

Alternative 1: The passive solar approach which requires proper solar orientation, appropriate levels of thermal mass, south facing windows, and moderate insulation levels.

Alternative 2: Generally requires higher levels of insulation than Alternative 1, but has no thermal mass or window orientation requirements.

Alternative 3: Also is without passive solar design but requires active solar water heating in exchange for less stringent insulation and/or glazing requirements.

In turn, the home building industry must comply with these standards while localities are responsible for enforcing the energy conservation regulations. Some additional opportunities for energy conservation include various passive design techniques. Among the range of techniques that could be used to reduce energy consumption are the following:

- ▶ Locating the structure on the northern portion or the sunniest portion of the site;
- ▶ Designing the structure to admit the maximum amount of sunlight into the building and to reduce exposure to extreme weather conditions;
- ▶ Locating indoor areas of maximum usage along the south face of the building and placing corridors, closets, laundry rooms, power core, and garages along the north face;
- ▶ Making the main entrance a small enclosed space that creates an air lock between the building and its exterior; orienting the entrance away from prevailing winds; or using a windbreak to reduce wind velocity against the entrance.

5. EVALUATION OF ACCOMPLISHMENTS

In order to develop an effective housing plan for the 2000-2005 period, the City must assess the effectiveness of existing housing programs. The 1989 Housing Element contains a series of actions under the following topic areas: housing preservation, housing production, removal of government

constraints, and housing accessibility. This section reviews the appropriateness of the actions taken under each of these areas, the effectiveness of the Element, and the City's progress in implementation since September 1989. Chart 34 summarizes Chino's housing accomplishments.

Chart 34: Accomplishments under the Adopted Housing Element

Action	Accomplishment
HOUSING PRESERVATION	
Unit Affordability	
Resale Mechanism: Deed Restrictions	The City participates in several homebuyer assistance programs. Resale mechanisms have been established for these programs according to requirements of the funding sources.
Section 8	91 Chino households receive Section 8 rental assistance (vouchers and certificates).
Property Maintenance	
Property Maintenance Ordinance	The City has established a Property Maintenance Ordinance that requires property owners to consistently maintain their property in a clean, safe, and attractive condition.
Code Enforcement	The City continues to enforce compliance with the City zoning, fire, health and safety, and building codes.
Housing Rehabilitation	
Rehabilitation Loans	The City has created a citywide Owner Occupied Rehabilitation Program which provides grants and deferred loans to eligible single-family homeowners to improve and maintain their homes. The maximum grant amount an applicant can receive is \$7,500, while the deferred loan program provides loans up to \$20,000, and in extreme cases, up to \$25,000. The City has provided 66 loans and 128 grants.
Emergency Repair Grants	The City has established and implemented an emergency repair program as a component of the repair grant program for very low income households and disabled residents to correct emergency health and safety problems. The City has provided 10 emergency grants.
Rental Rehabilitation Loans and Grants	This program has not been implemented due to funding and workload priorities.
Apartment and Mobilehome Conversions	
Condominium Conversion Ordinance	The City continues to enforce its existing condominium conversion ordinance. No conversion has taken place since 1989.
Mobile-home Conversion	Because no proposal for mobile-home park conversion has been received, the City has not investigated the possibility of offering financial assistance to permit cooperative mobile-home park ownership by senior citizen, disabled, or low income mobile-home tenants.
Commercial Intrusion	
Restrictions on the Demolition of Existing Housing for Commercial or Industrial Uses	The City has not implemented this program since it would apply only to a limited number of properties.

Chart 34: Accomplishments under the Adopted Housing Element

Action	Accomplishment
Public Facilities	
Public Facilities Funding	The City continues to utilize public, redevelopment and other funds to upgrade and construct drainage, sidewalk, street lights, public transit and landscaping improvements. CDBG funds have been allocated annually to add sidewalks and streetlights to neighborhoods lacking such amenities.
HOUSING PRODUCTION	
Infill Housing	
Infill Architectural Plans and Overlay Zone	An infill overlay zone has not been established. However, infill housing is permitted in residential zones. The Chino Zoning Ordinance establishes design guidelines for infill housing to ensure that such development is integrated with surrounding homes.
Infill Loan Program	Instead of a loan program, the City has created the Infill Housing Program which encourages the development of affordable housing within the City's older single-family neighborhoods. Under this program, the City acquires vacant residential properties and solicits proposals for the development of affordable housing projects. One project has been completed under the Infill Housing Program and another development is under construction.
Facilitate Production of Upper Income Housing	To provide a wide range of housing choices for all economic segments of the population, the City encourages the production of upper-income housing for the executives of local businesses and industries.
Flexible Development Standards	
Specific Plan/Planned Development	Chino has established two special district zones: the Planned Development Overlay and the Central Avenue Specific Plan area. These zones allow for flexible building standards in order to improve quality of life and address site-specific constraints.
Multiple-Use District	
Zoning and General Plan Revision to Permit Manufactured Housing (Mobilehomes) in All Residential Zones	To comply with State law, the Chino Zoning Ordinance has been revised to conditionally permit mobile-homes, manufactured homes, and factory built homes in all residential zones, except for AG, RD1, and RD2 zones.
Senior Housing	
Senior Housing Overlay Zone	A senior housing overlay zone has not been created. However, the City's recently updated Zoning Ordinance permits senior housing projects in all residential and commercial zones. Senior housing is also conditionally permitted in the general agricultural (AG), general commercial (CG), and administrative/professional office (AP) zones. Recently, a 104-unit senior housing project with 63 units for lower income households was completed.
Disperse Affordable Housing	
Site Acquisition	Under the Infill Housing Program, the City has acquired vacant residential properties for affordable housing development. Two lots have been acquired, with one project completed and another under construction.
Density Bonuses	The City has adopted a density bonus ordinance. A development project setting aside at least 20% of the units for lower income households, 10% for very low income households, or 50% for qualifying seniors may receive a 25% density bonus and one regulatory concession. The City has granted a density bonus to one development.

Chart 34: Accomplishments under the Adopted Housing Element

Action	Accomplishment
Home Ownership Opportunities for Lower Income Residents	
Tax Free Bonds for Housing Development	Use of mortgage revenue bond to finance affordable housing development has been limited countywide during the last decade. Instead, the City uses redevelopment set-aside funds to assist in affordable housing development (e.g. the 104-unit senior housing project).
Housing the Homeless	
Amend Zoning Ordinance to Permit Emergency Shelters in Industrial or Commercial Zones	The City's Zoning Ordinance currently does not explicitly address emergency shelters. A program will be established in the 2000-2005 Element to amend the Ordinance to conditionally permit emergency shelters in industrial or commercial zones.
Infill Transitional Housing	Chino's Transitional Housing Program has been discontinued due to lack of funding for transitional housing. The City currently funds various interim food and shelter programs using its CDBG funds.
REMOVAL OF GOVERNMENT CONSTRAINTS	
Streamline Permit Processing	
One-Stop Permit Processing	The City is currently implementing its permitting processes with the establishment of a one-stop permit processing system.
Minimize Processing Fees	
Special Housing Need Fee Subsidization	The City has not established a sliding scale fee subsidization program based on the percentage of units affordable to low and very low income households, the disabled, single-parents, and the elderly. However, the City continues to use redevelopment housing set-aside and/or CDBG funds to help offset fees and assist in affordable housing development.
Priority Processing	
Special Needs Prioritizing	The City continues to prioritize housing projects which include housing to meet the special needs of the community, such as low or very low income households, the elderly, single-parent family, the homeless, and the disabled. A 104-unit senior housing project has recently been completed.
Existing Needs Prioritization	The City prioritizes housing projects which fulfill the existing needs of the community.
Land Use Information	
Land Use Database	Due to budgetary constraints, Chino has not yet developed a Geographic Information System (GIS) containing the City's land use information. However, the results of the Housing Condition Surveys were tabulated in a database in anticipation of future integration into a Citywide GIS. The City expects to have a basic GIS in operation in the next one and a half years.
Identification of Vacant Publicly Owned Land	The City has identified the location of vacant sites that are available for residential development during the 2000-2005 Housing Element cycle.
HOUSING ACCESSIBILITY	
Fair Housing	
Fair Housing Education and Outreach	The City has been working with the Inland Mediation Board to expand its public outreach and educational efforts, including additional channels for reporting housing discrimination complaints and for distributing printed materials.
Affirmative Marketing Plan	Chino requires an affirmative marketing plan as a condition of approval of all subdivisions and as a condition of a business license issuance for apartments. However, no new apartment proposal has been submitted.

Chart 34: Accomplishments under the Adopted Housing Element

Action	Accomplishment
Accessibility	
Site Accessibility (For Disabled Persons)	Chino's current Zoning Ordinance does not explicitly require that all subdivisions be site accessible to the disabled. However, the City must and does comply with the regulations of the American Disability Act (ADA) and Title 24 of the California Code of Regulations.
Public Participation	
Public Hearings, Workshops, Study Sessions, and Hearings on Housing Policy	The City adheres to all public hearing requirements for the Housing Element and Consolidated Plan preparation.

A. Summary of Accomplishments

Since 1989, Chino has made clear progress toward implementing the Housing Element. Major accomplishments include the following:

- ▶ Assisted in the improvement of 194 housing units with loans and grants
- ▶ Established a property maintenance ordinance
- ▶ Assisted in the construction of a 104-unit senior housing project
- ▶ Assisted in the acquisition and construction of two infill affordable housing units
- ▶ Developed six units at 10th & D Streets with Habitat for Humanity
- ▶ Participated in two First-Time Home Buyer (FTHB) programs
- ▶ Received two HOME grants at \$1 million each to expand affordable housing opportunities
- ▶ Revised the Zoning Ordinance to comply with state laws regarding mobile homes, second units, and density bonus
- ▶ Established a one-stop processing system
- ▶ Rehabilitated two affordable rental units

1. Comparison of 1989-1994 RHNA with Units Constructed since 1990

In 1989, Chino had a total Regional Housing Need Assessment (RHNA) of 2,447 units to be developed in the period of 1989-1994 (Chart 35). Due to the lack of funding at the State level for generating new RHNA figures for the 1994-1999 cycle, the RHNA was extended through the end of 1997.

Between 1990 and 1994, the City's housing stock increased by 687 units, according to the State Department of Finance, representing only 28% of the RHNA. Between 1994 and 1997, another 188 units (8% of the RHNA) were added to the housing stock. All of the new units added to the housing stock were single-family homes. No multi-family construction occurred in the City during the last ten years.

Based on the housing costs presented in the Needs Assessment, low income households can afford smaller single-family homes in Chino and households with the upper range of moderate incomes can afford larger homes (see Charts 23 and 24 and discussion on housing affordability). Using conservation assumptions, 10% of the housing constructed between 1990 and 1997 are assumed to be affordable to low income households and 20% are assumed to be affordable to moderate income households. Overall, the City fulfilled 36% of its RHNA, but only 22% of the allocation for low income households

and 40% of the allocation for moderate income households.

This shortfall in housing production in comparison to the RHNA is only to be expected given that the RHNA was calculated assuming the continuation of the favorable economic conditions in the late 1980s. In reality, Chino, along with the entire Southern California region, was largely impacted by the economic recession in the early to mid-1990s and as a result, residential construction activities were well below the projected levels.

Chart 35: RHNA Accomplishments

Income	RHNA 1989-97	Housing Growth		
		1990- 94	1994- 97	Total
Very Low	228	0	0	0 (0%)
Low	392	68	18	85 (22%)
Moderate	439	137	38	175 (40%)
Upper	1,329	482	132	614 (46%)
Total	2,447	687	188	875 (36%)

6. HOUSING PLAN

Sections 1 through 4 of the Housing Element establish the housing needs, constraints and opportunities. Section 5 evaluates the effectiveness of existing housing programs. The following section crafts a new set of goals, policies, and actions to address the housing needs, mitigate the constraints, and capture the opportunities.

The goals and policies contained in the Housing Element address the identified housing needs, and are implemented through a series of actions by the City's Community Development Department and Redevelopment Agency. Each housing action defines the specific activities the City will undertake to achieve the stated goals and policies. A summary of each action, objective, funding source, and agency responsible for implementation is included in Chart 36.

A. Housing Conservation and Maintenance

In 1999, the City conducted three separate surveys to identify the physical condition of its neighborhoods: (1) a survey of multi-family housing; (2) a block-by-block survey of neighborhood conditions; and (3) a lot-by-lot survey of targeted portions of the City. Results of the survey indicated a need for ongoing and regular maintenance of various portions of Chino. The findings are reflected in the following goal, policies, and actions to be pursued over the next five years.

GOAL G4-1

To preserve existing affordable housing for owners and renters.

Policy P4-1.1

Continue to provide rehabilitation and home improvement assistance to low- and moderate-income households, seniors, and the disabled. Promote increased awareness

among property owners and residents of the importance of property maintenance to long-term housing quality.

Action A4-1.1.1

Ownership Rehabilitation Programs

This Citywide housing program provides two types of assistance to eligible single-family homeowners to improve and maintain their homes. In order to expand the program to additional households in need of assistance, the City recently revised the program guidelines and eligibility as follows:

- ▶ Expanded the program to moderate income households (up to 120% of the County MFI). Redevelopment housing set-aside funds will be used to provide assistance to this segment of the population.
- ▶ Increase the loan-to-value ratio from the existing 75% to 95% in order to assist new homeowners who have not yet built up their equities.

The revised programs are:

Home Repair Grant Program: This program provides a one time grant of up to \$7,500 to address critical health and safety repairs to plumbing, electrical and heating systems, roofing, deteriorated foundations, and to provide termite eradication and disability accessibility. Home repair grants are available to very low income households (up to 50% of the County Median Family Income (MFI)).

Deferred Loan Program: This program provides a deferred, zero interest loan, up to \$20,000, to address health and safety repairs and for select non-luxury improvements such as floor covering and planting. The loan amount is limited by available equity. This loan requires

no payment until the loan is due in full at the time of sale, transfer, or refinance of the property. Deferred loans are available to moderate income households (up to 120% of the County MFI).

Five-Year Objective:

- ▶ Provide rehabilitation assistance to 18 households annually (total of 90 households for the five-year period); 30 households using CDBG Funds and 60 households using redevelopment housing set-aside Funds.

Policy P4-1.2

Preserve and improve the quality of the rental housing stock.

Action A4-1.2.1

Rental Housing Inspection Program

Some multi-family housing complexes in the City suffer from issues relating to code violations, physical deterioration, and/or high levels of Police Department call for services. The City will explore appropriate means to address these issues, including but not limited to a rental housing inspection program.

Five-Year Objectives:

- ▶ Conduct an analysis of the merit and feasibility of establishing a rental housing inspection program by 2002. Depending on the outcome/recommendations of the analysis, a rental housing inspection program may be established within the planning period of this Housing Element.
- ▶ Explore other appropriate means to improve housing conditions and quality of living for rental housing occupants.

Policy P4-1.3

Continue to use the code enforcement program to bring substandard units into compliance with City codes and improve overall housing conditions in Chino.

Action A4-1.3.1

Code Enforcement

Code enforcement is an important component of various housing and community development programs including housing rehabilitation, and neighborhood revitalization. To assist in code enforcement efforts, the City applied to the State HCD for FY 2001 funding under Code Enforcement Pilot program. However, HCD decision on this funding application is pending.

Five-Year Objectives:

- ▶ Continue to implement the Code Enforcement program citywide.
- ▶ Annually evaluate the need for and feasibility of obtaining funding under the Code Enforcement Pilot program and submit funding application if appropriate.

Policy P4-1.4

Undertake comprehensive revitalization efforts in City neighborhoods.

Action A4-1.4.1

Neighborhood Revitalization Strategy

A Neighborhood Revitalization Strategy is being considered in order to channel CDBG and other funds to provide a complete spectrum of programs and services in target areas where they are most needed.

Five-Year Objectives:

- ▶ Explore the feasibility of establishing neighborhood revitalization areas for expenditure of CDBG and other housing and community development funds.

Policy P4-1.5

Preserve existing affordable housing units in apartment complexes and mobile home parks using the condominium conversion ordinance and other feasible means.

Action A4-1.5.1

Condominium Conversion Ordinance

As a means to preserve the affordable housing stock, the Condominium Conversion Ordinance limits the conversion of existing affordable units in apartment complexes and mobile home parks to non-affordable uses.

Five-Year Objective:

- ▶ Continue to enforce the Condominium Conversion Ordinance.

Action A4-1.5.2

Preservation of At-Risk Housing

Two assisted housing projects with a total of 124 units may be at risk of losing rent subsidies or converting to market rate housing within the next five years. In order to meet the housing needs of persons of all economic groups, the City must guard against the loss of housing units available to low and moderate income households. The objective is to either retain or replace as affordable housing all "at risk" units.

Five-Year Objectives:

- ▶ Preserve all 124 rental housing units affordable to very low income households (84 very low income seniors and 40 very low income families).
- ▶ Notify project owners of the availability of HUD-funded Mark-to-Market and Market-up-to-Market programs for extension of Section 8 contracts and restructuring of project financing no later than one year prior to potential conversion. (These two programs evaluate the current subsidized rent levels in comparison to fair market (FMR) and open market rents and determine the most cost-efficient financial structure for the subsidized projects in order to maintain the

affordability of the units. Projects with subsidized rent levels higher than the FMRs are eligible for the Mark-to-Market program. Projects with subsidized rent levels significantly lower than the open market rents are eligible for the Mark-up-to-Market program.)

- ▶ Compile a list of nonprofit housing developers active in San Bernardino County by mid-2001 and inquire about their interest in providing affordable housing in the City. Contact with public and non-profit agencies interested in purchasing and/or managing units at risk to inform them of the status of at-risk projects by the end of 2001.
- ▶ Work with tenants of at-risk units and inform them about tenant rights and conversion procedures. Ensure that tenants are notified at least 12 months prior to potential conversion to market rate housing.
- ▶ Assist tenants of "at risk" units to obtain priority status for receiving Section 8 or other assistance if there were a conversion to market rate and if tenants' income and housing costs meet eligibility requirements.

B. Affordable Housing Opportunities

The Housing Needs Assessment has demonstrated that lower income households have particular difficulty in obtaining affordable rental and ownership housing in Chino.

GOAL G4-2

To assist in the provision of adequate housing to meet the affordable housing needs of the community.

Policy P4-2.1

Expand affordable rental housing opportunities to lower income households.

Action A4-2.1.1

Section 8 Rental Assistance

The Section 8 rental assistance program extends rental subsidies to very low income (50% MFI) families and elderly who spend more than 50% of their income on rent, live in substandard housing, or have been displaced. The subsidy represents the difference between 30% of the monthly income and the allowable rent determined by the Section 8 program. Most Section 8 subsidies are issued in the form of vouchers which permit tenants to locate their own housing and rent units beyond the housing payment standards in an area, provided the tenants pay the extra rent increment.

Chino participates in the Section 8 Rental Assistance Program through the Housing Authority of San Bernardino County. The Housing authority reported that 91 households were utilizing Section 8 vouchers and certificates as of 1998.

Five-Year Objective:

- ▶ Continue to provide Section 8 rental assistance to approximately 100 very low income households.
- ▶ Assist the County Housing Authority in promoting the Section 8 program to both property owners and eligible renters.

Action A4-2.1.2

Affordable Housing Development

The City will facilitate the development of quality affordable housing through a variety of actions. To avoid the over-concentration of affordable housing, the City will also consider mixed income and/or scattered site development.

Currently, the City is actively working with Habitat for Humanity and Southern California Housing Development Corporation, two major nonprofit housing developers, to expand affordable housing opportunities in Chino. In addition, the City is actively participating in the efforts by the Inland Fair Housing and Mediation Board to form a Community

Housing Development Organization (CHDO) to facilitate affordable housing development in the area.

Five-Year Objectives:

- ▶ Compile a list of nonprofit housing developers active in the San Bernardino County by mid-2001. Network with qualified nonprofit housing developers to explore opportunities for affordable housing development. Continue to work with Habitat for Humanity and Southern California Housing Development Corporation to facilitate affordable housing development in the City.
- ▶ Continue to work with Inland Fair Housing and Mediation Board to pursue the designation of a CHDO eligible to receive funding for affordable housing development in Chino.
- ▶ Explore a variety of funding resources, including Low Income Housing Tax Credits and State HOME funds. Periodically check with the State Department of Housing and Community Development (HCD) for current and new funding availability. Allocate staff resources to identify projects and prepare applications when appropriate funding sources are identified,
- ▶ Annually apply to the State HCD for HOME funds for affordable housing development.
- ▶ Continue to evaluate the appropriateness of the HOME funding annually.
- ▶ Make available the inventory of residential sites developed as part of this Housing Element to potential developers update upon adoption of this Element in Spring 2001. Provide interested developers with the inventory when inquiry regarding development potential is made or when City identifies developers with reputation of developing quality housing.

- ▶ Amend the Zoning Ordinance by the end of 2001 to expand the housing types allowable under the RD-8 zone (currently include single-family attached/detached, duplex, and garden apartments) to include family apartments.
- ▶ Review the multi-family residential development standards in 2002/2003 in order to facilitate mixed use and other residential development. The following development standards will be reviewed:
 - minimum living area
 - recreation facility requirement
 - open space requirement
 - parking requirement

Upon completion of the review, the City will determine the types and extent of reduction in development standards needed in order to facilitate affordable housing development. The City will consider or make changes to the development standards by 2003. In addition, the City will also consider reimbursing the plan check fees for affordable housing.

Policy P4-2.2

Expand affordable homeownership opportunities for low and moderate income households.

Action A4-2.2.1

Home Buyer Assistance Programs

The City provides affordable homeownership opportunities through a number of programs:

Fresh Rate Program: Established by the Independent Cities Lease Finance Authority/Independent Cities Association in 1999, the Fresh Rate Program offers 30-year silent second loans to households earning up to 120% of the County median income. This program is not limited to first-time home-buyers.

Family Fund Program: The Neighborhood Partnership of Montclair offers the Family Fund Program, which is designed to assist lower income families in purchasing a home when they are unable to secure a down payment for conventional financing.

Lease-to-Purchase Program: This program establishes a local joint powers agency to issue short-term bonds to fund the purchase of new and existing homes. These agency-owned homes are then leased to low and moderate-income families for a three-year period while the family builds an equity base toward purchase of the home. At the end of the three-year lease period, the lessee is able to convert the lease to a standard fixed-rate mortgage without downpayment or closing cost requirements. In addition, lease payments made during the lease period are applied to the mortgage, effectively reducing the mortgage term by three years.

Single-Family Home Mortgage Revenue Bond Program: This program is offered by the County of San Bernardino for the purpose of assisting first-time homebuyers in purchasing homes. It offers a below-market interest rate to qualified borrowers and provides a 3% gift towards the downpayment and closing costs.

Five-Year Objectives:

- ▶ Assist 10 low- and moderate-income home buyers to purchase their first homes annually, or 50 home buyers in five years through the Fresh Rate and Family Fund programs.
- ▶ Initiate the Lease to Purchase program in 2000 with the objective of assisting 10 households annually.
- ▶ Promote home buyer assistance programs by advertising in City newsletter and brochures.

C. Provision of Adequate Housing Sites

The Needs Assessment also indicates that housing units in Chino are primarily priced at the middle income level with some up-scale, custom homes. Given the economic growth in the region, additional upper end housing for business executives may be needed. The City's goal is to provide a wide range of housing choices, enabling all households to secure housing that is best suited to their needs.

A key element in meeting the housing needs of all segments of the community is the provision of adequate sites for all types, locations, sizes, and prices of housing. The General Plan, Zoning Ordinance, and specific plans dictate where housing may locate, thereby affecting the supply of land available for residential development.

GOAL G4-3

To provide adequate housing sites through appropriate land use, zoning, and specific plan designations to accommodate the City's share of regional housing needs for lower, moderate, and upper income households.

Policy P4-3.1

Encourage adequate provision of a wide range of housing by location, type, and price to meet the existing and future needs of residents in all economic segments of the population.

Action A4-3.1.1

Land Use Element and Zoning Ordinance

The Land Use Element of the Chino General Plan designates land within the City for a range of residential densities ranging from 1 to 20 units per acre. The land use designations are fully implemented through the Zoning Ordinance.

Five-Year Objectives:

- ▶ Continue to implement the Land Use Element and Zoning Ordinance.

- ▶ Maintain the inventory of vacant residential sites developed as part this Housing Element update and provide such information to interested developers when inquiry regarding development potential is made or when City identifies developers with reputation for quality housing development.
- ▶ Provide for Recreational Vehicle (RV) parking through the mobile home uses as permitted under the Chino Zoning Ordinance. (It should be noted however, that RVs are not considered a source of permanent affordable housing.)
- ▶ Amend the General Plan, Zoning Ordinance, and East Chino Specific Plan by the end of 2001 to allow only multi-family residential development in RD-14 and RD-20 zones within the City limits.

Action A4-3.1.2

Upper Income Housing

Recent economic growth in the western San Bernardino County has generated a demand for a wide range of housing, including upper income housing for business executives.

Five-Year Objectives:

- ▶ Encourage the production of upper-income housing for the executives of local businesses and industry.

Action A4-3.1.3

Rezoning of Commercial Land for Residential Uses

The City has explored the demand for housing in the Central Avenue Specific Plan area and will consider rezoning some commercially designated properties along the North Central Avenue corridor for high density residential uses. The City is in the process of issuing a Request for Proposal (RFP) to study the redesignation of CG (General Commercial) land in the Central Avenue Specific Plan area for high density residential uses. The City has identified 18 properties totaling 51 acres for potential

rezoning. However, such action would require voter approval as specified under Measure M.

Five-Year Objectives:

- ▶ Proceed with the rezoning study in 2001. Pursue rezoning of commercial properties in the Central Avenue Specific Plan area for high density residential uses by 2002.
- ▶ Conduct an education/outreach activities to promote the benefits of and solicit support for the rezoning via the City's website and other means between 2001 and 2002.

Policy P4-3.2

Promote infill development by facilitating the development of affordable housing within the older single-family neighborhoods.

Action A4-3.2.1

Infill Housing Program

This program was designed to encourage the development of quality affordable housing within the City's older, single-family neighborhoods. It will provide ownership housing to stabilize the housing costs for families who are currently renting. It will also help stabilize older neighborhoods where deferred maintenance of rental properties owned by absentee landlords has caused deterioration.

CDBG and redevelopment housing set-aside funds may be provided to assist in property acquisition. If public funds are involved, properties will maintain affordability through deed restrictions.

Specifically, the City has been collaborating with Pomona Valley Habitat for Humanity to develop affordable housing on infill sites. CDBG and redevelopment housing set-aside funds are used for site acquisition. Habitat for Humanity assumes the costs of construction, monitors project development, qualifies and selects buyers, and assists in the financing process.

Five-Year Objective:

- ▶ Provide information on available infill sites to interested non-profit and for-profit developers.
- ▶ Assist in the acquisition of properties for construction of four housing units over the next five years.

Action A4-3.2.2

Mixed Use Development

Mixed use development offers another opportunity for developing quality affordable housing. The Downtown/Civic Center Master Plan area permits mixed use residential development of up to 20 units per acre. The City identifies a total of six acres within the Downtown/Civic Center Master Plan area where the mixed use development potential may be applied.

Five-Year Objectives:

- ▶ Pursue mixed use development opportunities by providing mixed use provisions to potential developers.
- ▶ Review the multi-family development standards in 2002/03 to facilitate mixed use and other residential development (see Action A4-2.1.2).
- ▶ Provide development incentives such as development fee reimbursements using redevelopment set-aside funds.

Policy P4-3.3

Facilitate development of a variety of housing types in the City specific plan areas. Continue to provide flexible development standards through the Planned Development Overlay District.

Action A4-3.3.1

Specific Plan/Planned Development

The City has two specific plan areas which allow for flexible building standards: the Central Avenue and the East Chino specific plan areas. In addition, the City has established the Planned Development Overlay District, which permits greater

flexibility in the design of residential developments and promotes a more efficient, aesthetically pleasing use of land.

Five-Year Objective:

- ▶ Continue to provide for flexible development standards in the Planned Development Overlay District, and in the Central Avenue and East Chino specific plan areas.

Policy P4-3.4

Provide adequate sites for the placement of transitional housing facilities and emergency shelters.

Action A4-3.4.1

Sites for Transitional Housing and Emergency Shelters

Pursuant to state law, a residential facility for six or fewer persons may not be treated differently than family dwellings of the same type in the same zone. A residential facility is defined as any family home, group care facility, or similar facility for 24-hour non-medical care of persons in need of personal services, supervision, or assistance essential for sustaining the activity of daily living or for the protection of the individual. A residential facility also includes a foster family home, small family home, social rehabilitation facility, community treatment facility, and transitional shelter care facility. Small group homes for six or fewer persons can be located in any of the city's residential districts by right.

Subject to the approval of a conditional Use Permit (CUP), the Zoning Ordinance also permits the development of board and care facilities for more than six persons, including transitional shelter care facilities in the City's CG (General Commercial) and AP (Administrative/Professional Office) zones. Group homes such as transitional housing facilities and emergency shelters are also permitted in the CG zone upon approval of a CUP. However, since the Zoning Ordinance does not currently specify the zones in which these facilities may be permitted, ambiguity

exists. The City will revise the Zoning Ordinance to clarify the types of facilities permitted and zones within which they are permitted in order assist potential developers in identifying appropriate locations, process, and requirements.

Five-Year Objectives:

- ▶ Continue to allow the placement of transitional housing facilities within the City in accordance with the Zoning Ordinance.
- ▶ Amend the Definition section of the Zoning Ordinance by the end of 2001 to specifically identify transitional housing facilities and emergency shelters as permitted uses in the CG zone, subject to a conditional use permit. Review the CG zone provisions in the Zoning Ordinance to ensure that transitional housing facilities and emergency shelters can be accommodated under the group homes category. (Accommodating such facilities in the group homes category does not limit the number of occupants in these facilities.)
- ▶ Facilitate the development of emergency shelters and transitional housing by clearly specifying in the zoning revisions the procedures and conditions involved in processing development applications for such facilities. The conditions will be clearly defined and are intended to ensure compatibility with surrounding uses and to provide a safe and suitable living environment for occupants of the shelter/transitional housing facilities, but not to unduly constrain the development of such facilities.

D. Removal of Governmental Constraints

Under State law, the Chino Housing Element must address, and where legally possible, remove governmental constraints affecting the maintenance, improvement, and development of housing. The following goal, policies, and actions are designed to mitigate governmental constraints on residential development and facilitate the development of a variety of housing.

GOAL G4-4

To mitigate any potential governmental constraints to housing production and affordability.

Policy P4-4.1

Offer financial and/or regulatory incentives where feasible to off-set or reduce the costs of developing affordable housing.

Action A4-4.1.1

Density Bonuses

Pursuant to State density bonus law, if a developer allocates at least 20% of the units in a housing project to lower income households, 10% for very low income households, or at least 50% for "qualifying residents" (e.g. seniors and disabled), the City must either (1) grant a density bonus of 25%, along with one additional regulatory concession (such as modified development standards) to ensure that the housing development will be produced at a reduced cost, unless the City makes findings that regulatory concession or incentive is not necessary to facilitate affordable housing development; or (2) provide other incentives of equivalent financial value based upon the land cost per dwelling unit.

The length of affordability control on the lower income units must be 30 years if the City grants at least one regulatory concession/incentive along with the density bonus. If no regulatory concession/incentive is granted, then the affordability control on the lower income units is only 10 years.

The City has adopted a density bonus provision that mirrors the State law and is now included in the Zoning Ordinance. A brochure explaining the density bonus program is available to the public at large and to potential housing developers.

Five-Year Objectives:

- Continue to promote density bonus incentives to housing developers through the use of brochures.
- Explore different density bonus incentives required in order to facilitate affordable housing development in 2002.

Policy P4-4.2

Maintain the expedited permit processing system.

Action A4-4.2.1

One-Stop Permit Processing

Delays in the development process such as plan checking and permit processing procedures will increase the holding cost of development. Complicated procedures may also discourage development especially by smaller developers. To facilitate residential development, the City is evaluating its development and permit processing procedures in order to improve its one-stop processing program. This program helps simplify and expedite permit processing in the City, thereby facilitating development.

Five-Year Objectives:

- Continue to evaluate and improve the one-stop processing system to facilitate residential development.

Action A4-4.2.2

Special Needs Prioritizing

Under this program, the City prioritizes and "fast tracks" housing projects that provide housing to meet the needs of low and moderate income households, and those with special needs such as the elderly and disabled.

Five-Year Objective:

- ▶ Continue to prioritize housing projects which include housing to meet the affordable and special needs of the community.

Policy P4-4.3

Periodically review City regulations, ordinances, and residential fees to ensure that they do not unduly constrain housing development.

Action A4-4.3.1

Development Fees

The City charges various fees and assessments to cover the costs of processing permits and to provide services and facilities to the project. These fees contribute to the cost of housing and are ultimately passed on to the consumers (either home buyers or renters). The City may use redevelopment set-aside and CDBG funds to offset fees and assist in the development of affordable housing.

Five-Year Objective:

- ▶ Continue to use redevelopment housing set-aside and/or CDBG funds to help offset fees and assist in the development of affordable housing.

Action A4-4.3.2

Construction Credits Transfer

Adoption of a master plan or specific plan is often accompanied by the establishment of a Community Facilities District that specifies the infrastructure and facilities needed to serve the plan area and the estimated costs for providing such infrastructure and facilities. Individual developers must pay their proportional shares of the costs based on a per-unit or per-square-foot basis in the form of fees.

When a developer provides infrastructure and facilities that are identified in the plan in conjunction with its development, construction credits are generated. Such credits may be above the development's fair share of costs. Currently, the City reimburses the

construction credits as cash payments to the developer up to the amount paid in fees. The extra credits are placed in a reimbursement agreement. Generally, the reimbursement agreements extend over ten years.

The City may explore the feasibility of establishing a credit transfer program that allows the developers to transfer the construction credits from one development to another within the same master plan or specific plan area. The program has been used successfully in other communities and serves to entice developers to return to the community.

Five-Year Objectives:

- ▶ Explore the feasibility of establishing a construction credit transfer system by mid-2001.

E. Equal Housing Opportunity

To adequately meet the housing needs of all segments of the community, the housing plan must include programs that promote housing opportunities for all persons regardless of race, religion, sex, family size, marital status, ancestry, national origin, color, age, or physical disability.

GOAL G4-5

To promote equal opportunity for all residents to reside in the housing of their choice.

Policy P4-5.1

Continue to enforce fair housing laws prohibiting arbitrary discrimination in the building, financing, selling or renting of housing on the basis of race, religion, family status, national origin, physical handicap or other such circumstances.

Action A4-5.1.1

Fair Housing Program

The City enforces the Fair Housing Act within its jurisdiction. To achieve fair housing goals, the City contracts with a fair housing council

to provide fair housing and tenant/landlord counseling services. The Community Services Department is responsible for monitoring these programs.

Five-Year Objectives:

- ▶ Continue to provide fair housing and tenant/landlord counseling services.
- ▶ Update the 1996 Analysis of Impediments to Fair Housing Choice by the end of FY 2000/01 in order to ensure that the fair housing program addresses the changing needs of residents.

Action A4-5.1.2

Affirmative Marketing Plan

An affirmative marketing plan is required as a condition of approval for all subdivisions and as a condition of a business license issuance for apartments.

Five-Year Objectives:

- ▶ Continue to require an affirmative marketing plan as a condition of approval for all subdivisions and as a condition of a business license issuance for apartments.
- ▶ Require apartment managers to provide evidence of training in fair housing and landlord/tenant laws and regulations as a condition for the issuance of a business permit.

Chart 36: Housing Implementation Action Summary

Housing Actions	Five-Year Objective(s)/ Time Frame	Funding Source(s)	Responsible Agency
Housing Conservation and Maintenance			
A4-1.1.1 Ownership Rehabilitation Program	Provide rehabilitation assistance to 90 households (18 annually).	CDBG; Redevelopment Housing Set-Aside funds	Housing Division, Community Development Department
A4-1.2.1 Rental Housing Inspection Program	- Conduct an analysis of the merit and feasibility of establishing a rental housing inspection program by 2002. - Explore other appropriate means to improve housing conditions and quality of living for rental housing occupants.	General Funds	Building Division, Community Development Department
A4-1.3.1 Code Enforcement	- Continue to implement the program citywide. - Annually evaluate the need for and feasibility of obtaining funding under the Code Enforcement Pilot program and submit funding application if appropriate.	General Funds; CDBG; Code Enforcement Pilot Program if appropriate	Building Division, Community Development Department
A4-1.4.1 Neighborhood Revitalization Strategy	Explore the feasibility of establishing neighborhood revitalization areas in 2001.	CDBG; Redevelopment Housing Set-Aside funds; other funding as available	Community Development Department; Community Services Department
A4-1.5.1 Condominium Conversion	Continue to enforce the Ordinance.	None required	Housing Division, Community Development Department

Chart 36: Housing Implementation Action Summary

Housing Actions	Five-Year Objective(s)/ Time Frame	Funding Source(s)	Responsible Agency
A4-1.5.2 Preservation of At-Risk Housing	▸ Preserve all 124 rental units. ▸ Notify project owners of the availability of HUD-funded programs for extension of Section 8 contracts and restructuring of project financing no later than one year prior to potential conversion. ▸ Compile a list of nonprofit housing developers active in San Bernardino County by mid-2001. Contact with agencies interested in purchasing/ managing at-risk units by the end of 2001. ▸ Work with tenants of at-risk units and inform them about their rights and the conversion procedures. Ensure that tenants are notified at least nine months prior to potential conversion. ▸ Assist tenants of "at risk" units to obtain priority status for receiving Section 8 or other assistance.	General Funds, HUD Section 8 Rental Assistance; Redevelopment Housing Set-Aside funds; and other funding as available	Housing Division, Community Development Department
Affordable Housing Opportunities			
A4-2.1.1 Section 8 Rental Assistance	▸ Provide assistance to approximately 100 very low income households annually. ▸ Assist County Housing Authority in promoting program.	HUD Section 8 Rental Assistance	Housing Authority, County of San Bernardino

Chart 36: Housing Implementation Action Summary

Housing Actions	Five-Year Objective(s)/ Time Frame	Funding Source(s)	Responsible Agency
A4-2.1.2 Affordable Housing Development	▸ Compile a list of nonprofit housing developers active in San Bernardino County by mid-2001. ▸ Explore a variety of funding sources. Allocate staff resources to identify projects and prepare funding applications. ▸ Continue to evaluate the appropriateness of this funding source annually. ▸ Annually apply to the State HCD for HOME funds for affordable housing development. ▸ Make available the inventory of sites available for development. ▸ Amend Zoning Ordinance by the end of 2001 to expand housing types allowable under the RD-8 zone. ▸ Review multi-family residential standards in 2002/2003 to determine the reductions in development standards needed to facilitate mixed use and other housing development.	State HOME fund, Low Income Housing Tax Credits, and others as available	Housing Division, Community Development Department
A4-2.2.1 Home Buyer Assistance Programs	▸ Assist 50 home buyers through the Fresh Rate and Family Fund programs over 5 years. ▸ Initiate the Lease to Purchase program in 2000 with the objective of assisting 10 households annually. ▸ Promote home buyer assistance programs.	Independent Cities Lease Finance Authority/Independent Cities Association; Neighborhood Partnership of Montclair Family Fund; Tax-Exempt Mortgage Revenue Bond	Housing Division, Community Development Department; Neighborhood Partnership of Montclair; County of San Bernardino

Chart 36: Housing Implementation Action Summary

Housing Actions	Five-Year Objective(s)/ Time Frame	Funding Source(s)	Responsible Agency
Provision of Adequate Housing Sites			
A4-3.1.1 Land Use Element and Zoning Ordinance	- Continue to implement the Land Use Element and Zoning Ordinance. - Maintain the inventory of vacant sites and make information available to interested developers. - Provide for Recreational Vehicle (RV) parking through mobile home uses as permitted under the Chino Zoning Ordinance.	None required	Planning Division, Community Development Department
A4-3.1.2 Upper Income Housing	Encourage the production of upper income housing for the executives of local businesses and industry.	None required	Planning Division, Community Development Department
A4-3.1.3 Rezoning of Commercial Land for Residential Uses	Proceed with the rezoning study in 2001. Pursue rezoning of commercial properties in the Central Avenue Specific Plan area for high density residential uses by 2002.	General Funds	Planning Division, Community Development Department
A4-3.2.1 Infill Housing Program	- Provide information on available infill sites to interested developers. - Assist in the acquisition of properties for construction of 4 housing units over 5 years.	CDBG; Redevelopment Housing Set-Aside funds	Housing Division, Community Development Department; Pomona Valley for Humanity
A4-3.2.2 Mixed Use Development	- Pursue mixed use development opportunities by providing mixed use provisions to potential developers. - Review the multi-family development standards in 2002/03 to facilitate mixed use and other development. - Provide development incentives such as development fee reimbursement.	General Funds; Redevelopment Set- Aside funds	Planning Division, Community Development Department
A4-3.3.1 Specific Plan/ Planned Development (PD)	Continue to provide for flexible development standards in the PD Overlay District, and the Central Avenue and East Chino specific plan areas.	None required	Planning Division, Community Development Department

Chart 36: Housing Implementation Action Summary

Housing Actions	Five-Year Objective(s)/ Time Frame	Funding Source(s)	Responsible Agency
A4-3.4.1 Sites for Transitional Housing and Emergency Shelters	- Continue to allow the placement of transitional housing within the City. - Amend the Definition section of Zoning Ordinance by the end of 2001 to specifically identify transitional housing and emergency shelters as permitted uses in the CG zone, subject to a conditional use permit. Review the CG zone provisions to ensure that such facilities can be accommodated under the group home category.	None required	Planning Division, Community Development Department
Removal of Governmental Constraints			
A4-4.1.1 Density Bonuses	- Continue to promote density bonuses to developers. - Explore different density bonus incentives required in order to facilitate affordable housing development.	None required	Planning and Housing Divisions, Community Development Department
A4-4.2.1 One-Stop Permit Processing	Continue to evaluate and improve the one-stop processing system to facilitate residential development.	None required	Planning and Housing Divisions, Community Development Department
A4-4.2.2 Special Needs Prioritizing	Continue to prioritize housing projects which include housing to meet the affordable and special needs of the community.	None required	Planning and Housing Divisions, Community Development Department
A4-4.3.1 Development Fees	Continue to help offset fees and assist in the development of affordable housing.	CDBG; Redevelopment Housing Set-aside funds	Planning Division, Community Development Department; Chino Redevelopment Agency
A4-4.3.2 Construction Credits Transfer	Explore the feasibility of establishing a construction credit transfer system by mid-2001.	None required	Public Works Department
Equal Housing Opportunity			
A4-5.1.1 Fair Housing Program	- Continue to provide fair housing and tenant/landlord counseling services. - Update the 1996 Analysis of Impediments of Fair Housing Choice by the end of FY 2000/01.	CDBG	Community Services Department

Chart 36: Housing Implementation Action Summary

Housing Actions	Five-Year Objective(s)/ Time Frame	Funding Source(s)	Responsible Agency
A4-5.1.2 Affirmative Marketing Plan	- Continue to require an affirmative marketing plan. - Require apartment managers to provide evidence of training in fair housing landlord/tenant laws and regulations.	None required	Community Development Department
Five-Year Goals Summary: TOTAL POTENTIAL NEW UNITS TO BE ACCOMMODATED: 2,135 (375 Very Low, 292 Low, 418 Moderate, 1,050 Upper) TOTAL UNITS TO BE REHABILITATED: 90 (50 Very Low, 25 Low, 15 Moderate) TOTAL UNITS TO BE CONSERVED: Conserve 100 very low income (Section 8) rent subsidies and 124 at-risk rental units for very low income households			

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